



14421 County Rd. 10 • Ft. Lupton, Colorado 80621 • (303) 857-9999 • FAX (303) 857-0577 • E-MAIL Permitco 1@aol.com

March 8, 2004

Division of Oil, Gas & Mining  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, UT 84114-5801

Re: Clarus Energy Advisors, L.L.P.  
Thurston Federal #12-1  
692' FSL and 1959' FWL  
SE SW Section 12, T12S - R21E  
Uintah County, Utah  
UTU-73017

Gentlemen:

Enclosed please find three copies of the Application for Permit to Drill, along with the required drilling program, BOP diagram, well site maps and diagrams.

If you should need additional information, please don't hesitate to contact me. Please note that the subject lease expires on March 31, 2004. Your early approval of this application would be greatly appreciated. Approved copies of the A.P.D. should be sent to Permitco Inc. at the address shown above.

Sincerely,

PERMITCO INC.

*Lisa Smith*

Lisa Smith  
Consultant for

Clarus Energy Advisors, L.L.P. DIV. OF OIL, GAS & MINING

RECEIVED

MAR 10 2004

Enc.

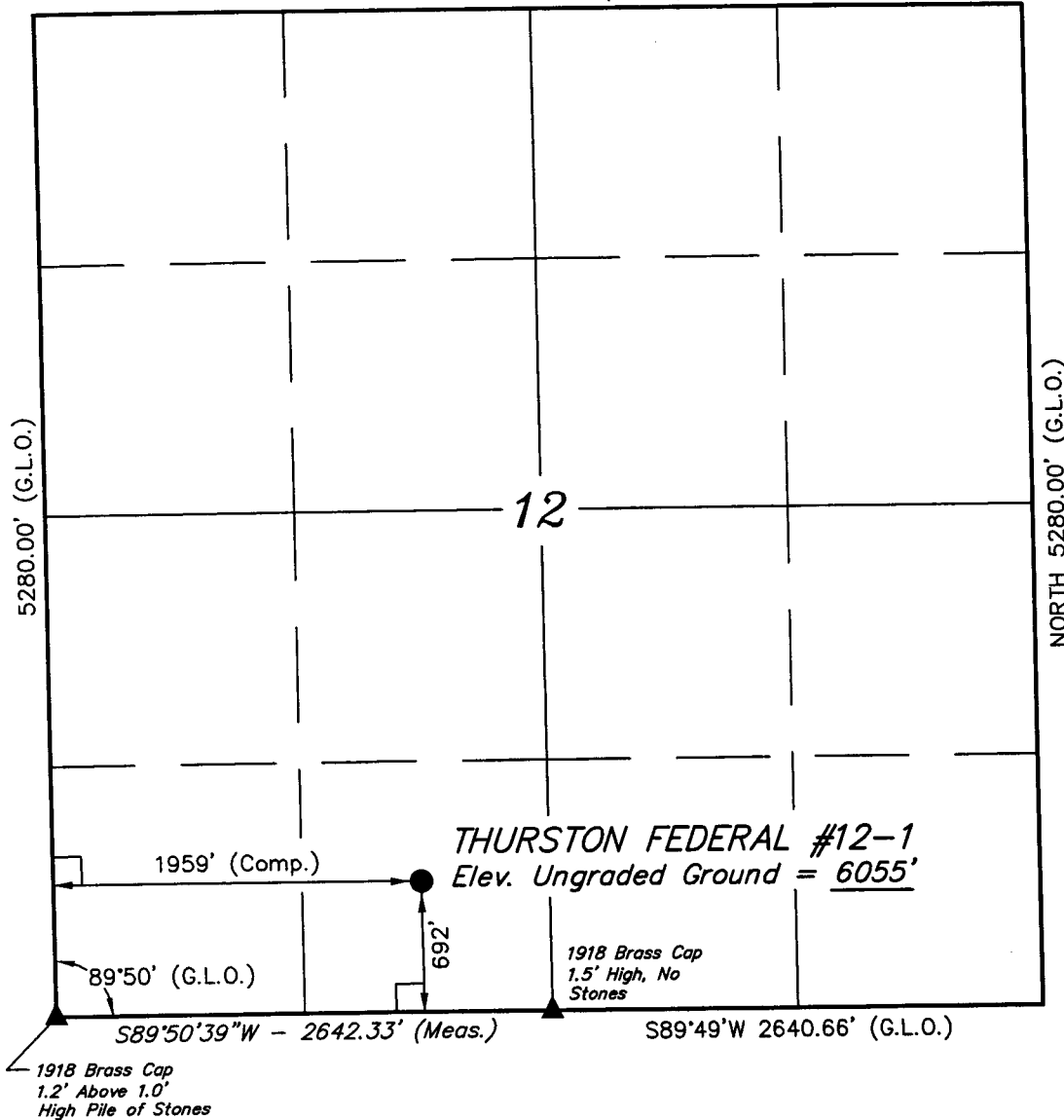
cc: Clarus Energy Advisors, L.L.P. - Montgomery, TX  
Clarus Energy Advisors, L.L.P. - Evergreen, CO

*4/12/04  
BIM  
Extended  
Lease*



**T12S, R21E, S.L.B.&M.**

S89°57'W 5285.28' (G.L.O.)



**LEGEND:**

└─┘ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(AUTONOMOUS NAD 83)

LATITUDE = 39°46'58.25" (39.782847)

LONGITUDE = 109°31'06.09" (109.518358)

**CLARUS ENERGY ADVISORS, L.L.P.**

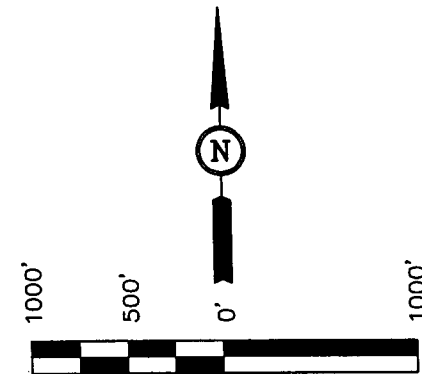
Well location, THURSTON FEDERAL #12-1, located as shown in the SE 1/4 SW 1/4 of Section 12, T12S, R21E, S.L.B.&M. Uintah County, Utah.

**BASIS OF ELEVATION**

SPOT ELEVATION AT THE SOUTHEAST CORNER OF SECTION 24, T12S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN. SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 6271 FEET.

**BASIS OF BEARINGS**

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



SCALE

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEY MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR  
REGISTRATION NO. 18198  
STATE OF UTAH

**UINTAH ENGINEERING & LAND SURVEYING**  
85 SOUTH 200 EAST - VERNAL, UTAH 84078  
(435) 789-1017

|                          |  |                         |
|--------------------------|--|-------------------------|
| SCALE<br>1" = 1000'      | DATE SURVEYED:<br>02-27-04             | DATE DRAWN:<br>03-01-04 |
| PARTY<br>B.B. T.H. D.COX | REFERENCES<br>G.L.O. PLAT              |                         |
| WEATHER<br>COLD          | FILE<br>CLARUS ENERGY ADVISORS, L.L.P. |                         |

**ONSHORE OIL & GAS ORDER NO. 1**

**Approval of Operations on Onshore  
Federal and Indian Oil & Gas Leases**

**Thurston Federal #12-1  
692' FSL and 1959' FWL  
SE SW Section 12, T12S - R21E  
Uintah County, Utah**

**Prepared For:**

**Clarus Energy Advisors, L.L.P.**

**By:**

**PERMITCO INC.  
14421 County Road 10  
Ft. Lupton, Colorado 80621  
303/857-9999**

**Copies Sent To:**

- 3 - Bureau of Land Management - Vernal, UT**
- Utah Division of Oil, Gas & Mining - SLC, UT**
- 1 - Clarus Energy Advisors, L.L.P. - Evergreen, CO**
- 1 - Clarus Energy Advisors, L.L.P. - Montgomery, TX**

**CONFIDENTIAL-TIGHT HOLE**

**RECEIVED**

**MAR 10 2004**

**DIV. OF OIL, GAS & MINING**





## APPLICATION FOR PERMIT TO DRILL OR REENTER

### 24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.  
**Attached.**
2. A Drilling Plan
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the Appropriate Forest Service Office.  
**See Surface Use Plan Attached.**
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20).  
**Bond coverage for this well is provided by Clarus Energy Advisors, L.L.P. under their BLM Bond No. (has been applied for).**
5. Operator certification.  
**Please be advised that Clarus Energy Advisors, L.L.P. is considered to be the operator of the above mentioned well. Clarus Energy Advisors, L.L.P. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the leased lands.**
6. Such other site specific information and/or plans as may be required by the authorized officer.

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Thurston Federal #12-1

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ONSHORE ORDER NO. 1  
Clarus Energy Advisors, L.L.P.  
**Thurston Federal #12-1**  
692' FSL and 1959' FWL  
SE SW Section 12, T12S - R21E  
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

**Lease No. UTU-73017**

**DRILLING PROGRAM**

Page 1

ONSHORE OIL & GAS ORDER NO. 1  
Approval of Operations on Onshore  
Federal and Indian Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. **ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS**

| <i>Formation</i> | <i>Depth</i> | <i>Subsea</i> |
|------------------|--------------|---------------|
| Green River      | Surface      | 6,158'        |
| Wasatch          | 3,308'       | 2,850'        |
| Mesaverde        | 5,733'       | 425'          |
| Sego             | 7,633'       | -1,475'       |
| T.D.             | 7,833'       | -1,675'       |

2. **ESTIMATED DEPTH OF ANTICIPATED WATER, OIL, GAS OR MINERAL FORMATIONS:**

| <i>Substance</i> | <i>Formation</i> | <i>Depth</i> |
|------------------|------------------|--------------|
| Gas              | Wasatch          | 3,308'       |
| Gas              | Mesaverde        | 5,733'       |

All fresh water prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.



### 3. **PRESSURE CONTROL EQUIPMENT**

Clarus Energy Advisors, L.L.P.'s minimum specifications for pressure control equipment are as follows:

Ram Type: 11" Hydraulic double with annular, (Minimum - 2000 psi w.p.). The BOP may be upgraded to 3000 psi depending upon availability.

Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular type preventers (if used) shall be tested to 50 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed;
- b. whenever any seal subject to test pressure is broken
- c. following related repairs; and
- d. at 30-day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) the check valve shall be held open or the ball removed.

Annular preventers shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.



A BOPE pit level drill shall be conducted weekly for each drilling crew.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.

BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The District Office should be notified, with sufficient lead time, in order to have the BLM representative on location during pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram. Although a rig has not been chosen to drill this well, most of the equipment for this depth of hole in the area use a 11", 2000 psi working pressure blowout preventor.
- b. A choke line and a kill line are to be properly installed. The kill line is not to be used as a fill-up line.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

**4. PROPOSED CASING AND CEMENTING PROGRAM:**

- a. The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting



depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors, including; presence/absence of hydrocarbons; fracture gradients; usable water zones; formation pressures; lost circulation zones; other minerals; or other unusual characteristics. All indications of usable water shall be reported.

- b. Casing design shall assume formation pressure gradients of 0.44 to 0.50 psi per foot for exploratory wells (lacking better data).
- c. Casing design shall assume fracture gradients from 0.70 to 1.00 psi per foot for exploratory wells (lacking better data)
- d. Casing collars shall have a minimum clearance of 0.422 inches of all sides in the hole/casing annulus, with recognition that variances can be granted for justified exceptions.
- e. All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.
- f. All casing except the conductor casing, shall be new or reconditioned and tested used casing that meets or exceeds API standards for new casing.
- g. The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.
- h. All indications of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.
- i. Three centralizers will be run on the bottom three joints of surface casing with a minimum of one centralizer per joint starting with the shoe joint.
- j. Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc. shall be utilized to help isolate the cement from contamination by the mud fluid being displaced ahead of the cement slurry.



- k. All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1500 psi, whichever is greater, but not to exceed 70 percent of the minimum internal yield. If pressure declines more than 10 percent in 30 minutes, corrective action shall be taken.
- l. On all exploratory wells, and on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- m. The proposed casing program will be as follows:

| <b>Purpose</b> | <b>Depth</b> | <b>Hole Size</b> | <b>O.D.</b> | <b>Weight</b> | <b>Grade</b> | <b>Type</b> | <b>New/Used</b> |
|----------------|--------------|------------------|-------------|---------------|--------------|-------------|-----------------|
| Surface        | 0-2000'      | 12-1/4"          | 9-5/8"      | 36#           | J-55         | ST&C        | New             |
| Production     | 0- 7833'     | 7-7/8"           | 5-1/2"      | 17#           | -80          | LT&C        | New             |

- n. Casing design subject to revision based on geologic conditions encountered.
- o. The cement program will be as follows:

| <b>9-5/8" Surface</b>    | <b>Type and Amount</b>   |
|--------------------------|--|
| 0-2000'                  | Lead: 335 sx Premium AG cement with 0.6% Econolite, 0.25#/sk Flocele, 0.2% FWCA, 10#/sk Gilsonite, 16% bentonite, 1% HR-7 and 3% Salt. Plus 2% Calcium Chloride, 0.25 lb/sk Celloflake, Yield 3.14 cf/sk, Weight - 11.6 #/gal<br>Tail: 150 sx Premium AG cement with 2% CaCl <sub>2</sub> , 0.25#/sk flocele. Yield - 1.20 cf/sk, Weight 15.6 #/gal. |
| <b>5-1/2" Production</b> | <b>Type and Amount</b>   |
| 0-7833'                  | Lead: 855 sx 50/50 Poz Premium AG, 2% Bentonite, 5% salt, 0.25#/sk Flocele, 0.2% Super CBL, 2% Microbond, 0.6% Halad ®)-322. Yield 1.25 cf/sk, Weight 14.35 #/gal.   |



- p. Anticipated cement tops will be reported as to depth; not the expected number of sacks of cement to be used. The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.
- q. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.
- r. The following reports shall be filed with the District Manager within 30 days after the work is completed.
  - 1. Progress reports, Form 3160-5 (formerly 9-331) "Sundry Notices and Reports on Wells", must include complete information concerning:
    - a. Setting of each string of casing, showing the size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.
    - b. Temperature or bond logs must be submitted for each well where the casing cement was not circulated to the surface.
- s. Auxiliary equipment to be used is as follows:
  - 1. Kelly cock
  - 2. No bit float is deemed necessary.
  - 3. A sub with a full opening valve.





**5. MUD PROGRAM**

- a. The proposed circulating mediums to be employed in drilling are as follows:

| <i>Interval</i> | <i>Mud Type</i>    | <i>Mud Wt.</i> | <i>Visc.</i> | <i>F/L</i> |
|-----------------|--------------------|----------------|--------------|------------|
| 0 - 300'        | Air or Fresh Water | ---            | ---          | ---        |
| 300' - 1,950'   | Water/Gel          | ---            | ---          | ---        |
| 1,950' - 7,833' | Water/Gel          | 9.0-9.7        | 30           | 8-10       |

There will be sufficient mud on location to control a blowout should one occur.  
A mud test shall be performed every 24 hours after mudding up to determine, as applicable:  
density, viscosity, gel strength, static filtration loss, and Ph.

- b. Mud monitoring equipment to be used is as follows:
1. Periodic checks will be made each tour of the mud system. The mud level will be checked visually.
- c. No chromate additives will be used in the mud system on Federal and/or Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.
- d. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.
- e. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

**6. EVALUATION PROGRAM**

The anticipated type and amount of testing, logging and coring are as follows:



- a. No drill stem tests are anticipated, however, if DST's are run, the following requirements will be adhered to:

Initial opening of drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer. However, DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e. lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the authorized officer. Closed chamber DSTs may be accomplished day or night.

A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions. This would involve provided some means for reverse circulation.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

- b. The logging program will consist of an Array Induction-Gamma Ray-SP Caliper, a High Resolution Spectral Density-PEF, and a Compensated Neutron, Microlog from TD - Surface Casing.
- c. No cores are anticipated.
- d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with form 3160-4. Samples (cutting, fluids, and/or gases will be submitted when requested by the authorized officer (AO).



- e. The anticipated completion program will be as follows: Prospective gas bearing zones identified from the logs (wireline & mud logs) will be perforated, acidized, and if need be fracture stimulated using a light KCL water frac. The completion procedure will begin at the bottom of the hole (TD) and move up testing the total number of sands deemed to be prudent.
- f. Daily drilling and completion progress reports shall be submitted to the BLM in Vernal on a weekly basis.

**7. ABNORMAL TEMPERATURES OR PRESSURES**

- a. The expected bottom hole pressure is 1800 psi.
- b. No hydrogen sulfide gas is anticipated and no abnormal pressures or temperatures are anticipated.
- c. Operator requests a variance to regulations requiring a straight run blooie line. (When possible, a straight run blooie line will be used.).
- d. Operator requests a variance to regulations requiring an automatic igniter or continuous pilot light on the blooie line.
- e. Operator requests a variance to regulations requiring the blooie line be 100' in length. To reduce location excavation, the blooie line will be 75' in length.

**8. ANTICIPATED STARTING DATES AND NOTIFICATION OF OPERATIONS**

- a. Drilling is planned to commence on March 30, 2004.
- b. It is anticipated that the drilling of this well will take approximately 9 days.
- c. The BLM in Vernal, Utah shall be notified of the anticipated date of location construction commencement and of anticipated spud date.
- d. No location will be constructed or moved, no well will be plugged, and no drilling or work over equipment will be removed from a well to be placed in a suspended status without prior



approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

- e. The spud date will be reported orally to the AO within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed up with a Sundry Notice.
- f. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the Vernal BLM District Office, 170 South 500 East, Vernal, UT 84078.
- g. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.
- h. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
- i. Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communications, not later than 5 days following the date on which the well is placed on production.
- j. Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.
- k. Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day or authorized test period.
- l. A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9.d.), shall be submitted to the appropriate District Office within sixty (60) days of installation or first production,



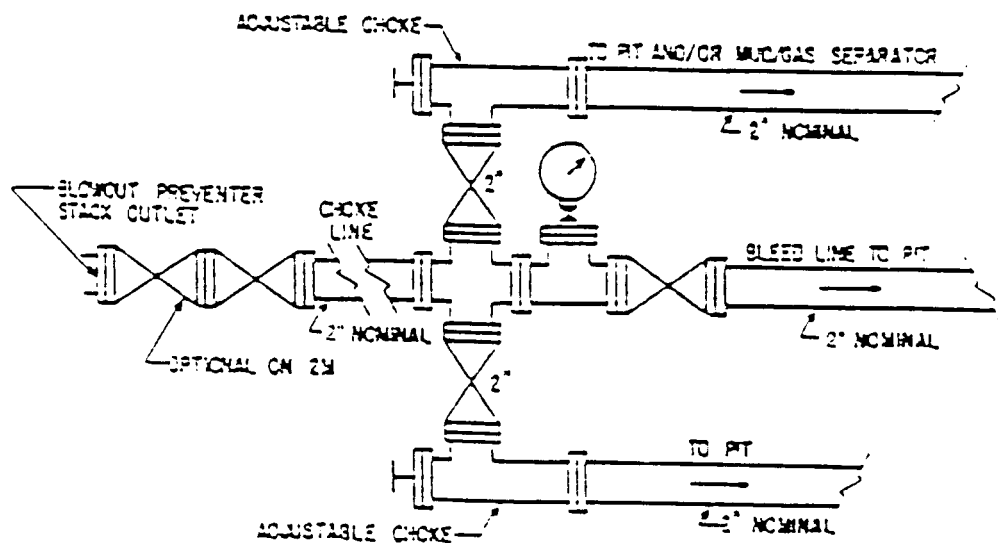
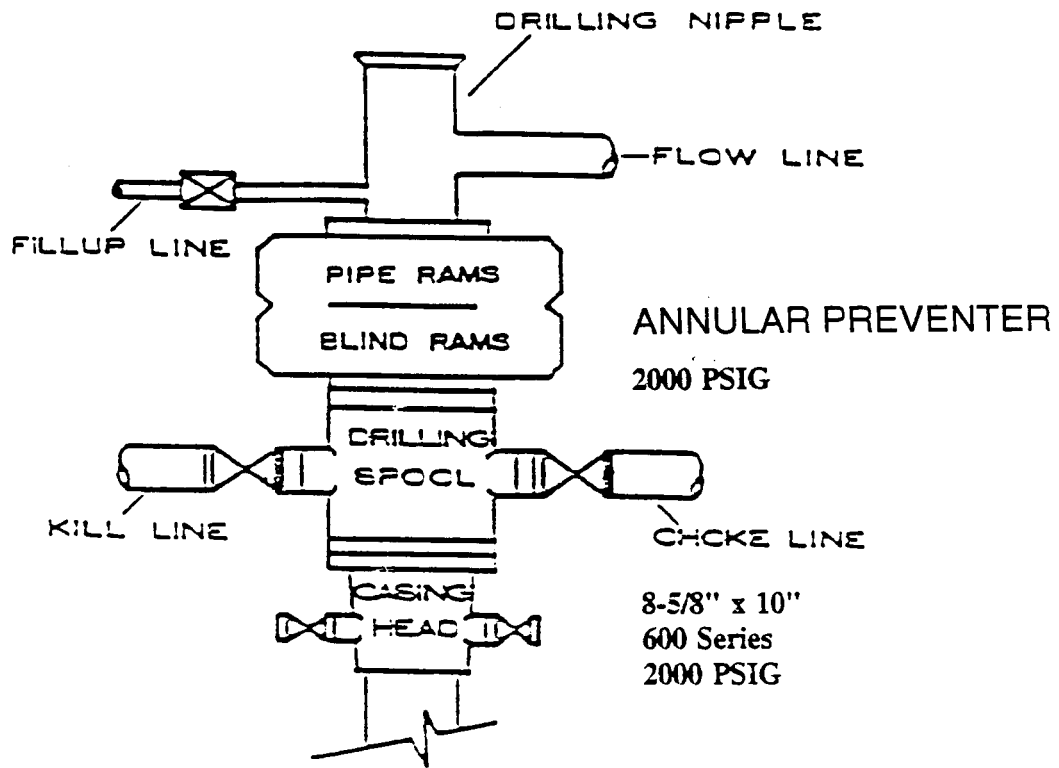
whichever occurs first. All site security regulations as specified in Onshore Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b.4.).

- m. A first production conference will be scheduled within 15 days after receipt of the first production notice.
- n. No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the SO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.
- o. Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to operations on Federal or Indian lands.

|   |                    |                   |
|---|--------------------|-------------------|
| Bureau of Land Management<br>170 South 500 East<br>Vernal, Utah 84078 |                    |                   |
| Phone: 435/781-4400   |                    | Fax: 435/781-4410 |
| After Hours:  |                    |                   |
| Ed Forsman  | Petroleum Engineer | 435/828-7874      |
| Kirk Fleetwood  | Petroleum Engineer | 435/828-7875      |



# EOP STACK 2,000 PSI



**2,000 PSI CHOKE MANIFOLD**

ONSHORE ORDER NO. 1  
Clarus Energy Advisors, L.L.P.  
**Thurston Federal #12-1**  
692' FSL and 1959' FWL  
SE SW Section 12, T12S - R21E  
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

**Lease No. UTU-73017**

**SURFACE USE PLAN**

Page 1

**ONSHORE OIL & GAS ORDER NO. 1  
NOTIFICATION REQUIREMENTS**

- |                                   |  |
|-----------------------------------|--|
| Location Construction -           | forty-eight (48) hours prior to construction of location and access roads.   |
| Location Completion -             | prior to moving on the drilling rig.   |
| Spud Notice -                     | at least twenty-four (24) hours prior to spudding the well.  |
| Casing String and Cementing -     | twenty-four (24) hours prior to running casing and cementing all casing strings.   |
| BOP and Related Equipment Tests - | twenty-four (24) hours prior to initiating pressure tests.   |
| First Production - Notice         | within five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days. |

The lease for the subject drill site will expire on March 31, 2004. At the time of staking, the ground was covered with approximately 6" of snow. It is not possible at this time to conduct an archeological survey or examine the site for possible T & E plant species.

**1. EXISTING ROADS**

- a. The proposed well site is located approximately 27.1 miles southeast of Ouray, Utah.
- b. Directions to the location from Ouray, Utah are as follows:

Proceed in a southeasterly direction from Ouray, Utah along the Seep Ridge Road for approximately 24.3 miles. Turn left on an existing road and proceed northerly for 2.6 miles. Turn left and proceed northwesterly along the new access road (flagged) for a distance of 0.2 miles until reaching the proposed drill site.



- c. For location of access roads within a 2-Mile radius, see Maps A & B.
- d. Approximately 2.6 miles of existing access road will need minor improvement. All disturbance will be kept within the previously disturbed areas.
- e. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.
- f. Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency shall be maintained in accordance with the standards of the SMA.

**2. PLANNED ACCESS ROADS**

- a. Approximately 0.2 miles of access road will be new construction. The road will be constructed (at a minimum) as a 14' resource road as specified in the BLM 9113 manual.
- b. The maximum grade of the new construction will be approximately 3%.
- c. No turnouts are planned.
- d. No low water crossings or culverts will be necessary.
- e. The last 0.2 miles of new access road was centerline flagged at the time of staking.
- f. The use of surfacing material is not anticipated, however it may be necessary depending on weather conditions at the time of drilling.
- g. No cattle guards will be necessary.
- h. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.
- i. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).





- j. The road will be constructed/upgraded to meet the standards of the anticipated traffic flow and all weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowing and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.
- k. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.
- l. This application is to serve as our request for road right of way for all portions of the access route located outside of Lease No. UTU-73017. Filing fees will be paid to the BLM once a Category Determination has been made.
- m. The ROW is requested for 30 years, or the entire life of the producing well, whichever is longer.

**3. LOCATION OF EXISTING WELLS WITHIN A 1-MILE RADIUS OF THE PROPOSED LOCATION.**  
**(See Map "C")**

- a. Water wells - none
- b. Injection wells - none
- c. Producing wells - none
- d. Drilling wells - none



- e. Shut-in wells - none
- f. Temporarily abandoned wells - none
- g. Disposal wells -none
- h. Abandoned wells - one

**4. LOCATION OF TANK BATTERIES AND PRODUCTION FACILITIES.**

- a. All permanent structures (onsite for six months or longer) constructed or installed (including oil well pump jacks) will be painted Juniper Green. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded.
- b. If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall surrounded by a containment dike of sufficient capacity to contain at a minimum, the entire contents of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.
- c. If production is established, a production facility diagram will be submitted via Sundry Notice, prior to installation of the facilities.
- d. All loading lines will be placed inside the berm surrounding the tank battery.
- e. Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flow line will be buried or anchored down from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.
- f. The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports



will be submitted to the Vernal Field Office. All meter measurement facilities will conform with Onshore Oil and Gas Order No. 4 for liquid hydrocarbons and Onshore Oil and Gas Order No. 5 for natural gas measurement.

- g. If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.
- h. Any necessary pits will be properly fenced to prevent any wildlife entry.
- i. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.
- j. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.
- k. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic.
- l. The road will be maintained in a safe useable condition.
- m. Produced water will be stored in a 300 bbl heated, insulated tank, then hauled to a commercial disposal site such as Disposal Inc., or Brennan Bottom.
- n. Pipelines will follow the route shown on Map D. See Pipeline detail attached.

**5. LOCATION AND TYPE OF WATER SUPPLY**

- a. The proposed water source will be the Nebecker Water Service at the Nebecker Water Station in Myton. The Water Use Claim # is 43-1723.
- b. Water will be hauled by Nebecker Water Service to the location over the access roads shown on Maps A and B.
- c. No water well will be drilled on this lease.



**6. SOURCE OF CONSTRUCTION MATERIAL**

- a. Surface and subsoil materials in the immediate area will be utilized.
- b. Any gravel used will be obtained from a commercial source.
- c. The use of materials under BLM jurisdiction will conform with 43 CFR 3610.2.3. Construction material will not be located on lease.
- d. No construction materials will be removed from Federal land.

**7. METHODS OF HANDLING WASTE DISPOSAL**

- a. The reserve pit will be constructed so as not to leak, break, or allow discharge.
- b. At the request of the BLM, the reserve pit will be lined with a 12 mil liner. If fractured rock is encountered, the pit will be first lined with sufficient bedding (either straw or dirt) to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.
- c. Burning will not be allowed. All trash will be contained in a trash cage and its contents removed at the end of drilling operations and hauled to an approved disposal sight.
- d. After first production, produced waste water will be confined to a unlined pit or storage tank for a period not to exceed ninety (90) days. During the 90-day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.
- e. Drill cuttings are to be contained and buried in the reserve pit.
- f. Any salts and/or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.



- g. A chemical porta-toilet will be furnished with the drilling rig.
- h. The produced fluids will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas salt water or other produced fluids will be cleaned up and removed.

**8. ANCILLARY FACILITIES**

There are no airstrips, camps, or other facilities planned during the drilling of the proposed well.

**9. WELL SITE LAYOUT**

- a. The operator or his/her contractor shall contact the BLM Office at 435/781-4400 forty-eight (48) hours prior to construction activities.
- b. The reserve pit will be located on the south west side of the location.
- c. The flare pit will be located on the northwest corner of the reserve pit, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.
- d. A diversion ditch will be constructed along the west side of the well pad to divert existing drainage channels around the pad.
- e. The stockpiled topsoil (first six inches) will be stored on the north and west sides of the location as shown on the location layout. Topsoil along the access route will be wind rowed on the uphill side.
- f. Access to the well pad will be from the southeast as shown on the Pit & Pad Layout.
- g. See Location Layout for orientation of rig, cross section of drill pad and cuts and fills.
- h. The location of mud tanks; reserve pit, trash cage; pipe racks; living facilities and soil stockpiles will be shown on the Location Layout.



- i. All pits will be fenced according to the following minimum standards:
  - 1. 39 inch net wire shall be used with at least one strand or barbed wire on top of the net wire (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
  - 2. The net wire shall be no more than 2-inches above the ground. The barbed wire shall be 3-inches above the net wire. Total height of the fence shall be at least 42-inches.
  - 3. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
  - 4. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
  - 5. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.
- j. The reserve pit will be fenced on three sides during drilling operations and the fourth side will be fenced when the rig moves off the location. Pits will be fenced and maintained until cleanup.

**10. PLANS FOR RESTORATION OF SURFACE**

Producing Location

- a. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash and junk not required for production.
- b. Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.
- c. If a plastic nylon reinforced liner is used it shall be torn and perforated before backfilling of the reserve pit.



- d. The reserve pit and that portion of the location not needed for production facilities or operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 120 days from the date of well completion. Before any dirt work takes place, the reserve pit must have all fluids and hydrocarbons removed and all cans, barrels, pipe, etc., will be removed.
- e. Reclamation of unused disturbed areas on the well pad/access road no longer needed for operations, such as cut slopes, and fill areas will be accomplished by grading, leveling and seeding as recommended by the Authorized Officer. A seed mixture will be specified by the Bureau of Land Management in their Conditions of Approval for the subject well.  
  
Seeding will be performed immediately after the location has been reclaimed and the pit has been backfilled, regardless of the time of year. Seed will be broadcast and walked in with a dozer.
- f. The topsoil stockpile will be seeded as soon as the location has been constructed with the same recommended seed mix. The seed will be walked in with a cat.

Dry Hole

- g. At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment and BLM will attach the appropriate surface rehabilitation conditions of approval.

11. **SURFACE OWNERSHIP**

Access Roads - The majority of the access roads are maintained by the County Road Department or the Bureau of Land Management.

Well pad - The well pad is located on lands managed by the BLM.

12. **OTHER INFORMATION**

- a. Due to significant snow cover in the area, it is not possible to conduct a Class III archeological survey at this time. Once the snow has melted sufficient, a Class III Survey



will be conducted by Grand River Institute. A copy of this report will be submitted to the appropriate agencies by Grand River Institute.

- b. The need for a Paleontological Resource Inventory Report has not yet been determined.
- c. The operator is responsible for informing all persons in the areas who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:
  - whether the materials appear eligible for the National Register of Historic Places;
  - the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
  - a time frame for the AO to complete and expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate. If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.
- d. The operator will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- e. Drilling rigs and/or equipment used during drilling operations on this wellsite will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure.





ONSHORE ORDER NO. 1  
Clarus Energy Advisors, L.L.P.  
**Thurston Federal #12-1**  
692' FSL and 1959' FWL  
SE SW Section 12, T12S - R21E  
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

**Lease No. UTU-73017**

**SURFACE USE PLAN**

**Page 11**

- f. All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.
- g. A complete copy of the approved APD shall be on location during construction of the location and drilling activities.
- h. There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended or abandoned will be identified in accordance with 43 CFR 3162.
- i. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
- j. This permit will be valid for a period of one year from the date of approval. An extension period may be granted, if requested, prior to the expiration of the original approval period. After permit termination, a new application will be filed for approval for any future operations.
- k. The operator or his contractor shall contact the BLM Offices at 435/781-4400 48 hours prior to construction activities.
- l. The BLM Office shall be notified upon site completion prior to moving on the drilling rig.

**13. LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION**

Permit Matters

**PERMITCO INC.**  
14421 County Road 10  
Ft. Lupton, CO 80621  
303/857-9999 (O)  
303/857-0577 (F)  
Lisa Smith

Drilling & Completion Matters

**CLARUS ENERGY ADVISORS, L.L.P.**  
30257 Stagecoach Lane  
Evergreen, CO 80439  
Karl Weber - Partner  
303/861-0192 (Office)  
303-670-7981 (Fax)

**CLARUS ENERGY ADVISORS, L.L.P.**  
18988 Ocean Mist Court  
Montgomery, TX 77356  
Ralph Curton - Partner  
936-448-6116



ONSHORE ORDER NO. 1  
Clarus Energy Advisors, L.L.P.  
**Thurston Federal #12-1**  
692' FSL and 1959' FWL  
SE SW Section 12, T12S - R21E  
Uintah County, Utah

~~CONFIDENTIAL~~ - TIGHT HOLE

Lease No. UTU-73017

**SURFACE USE PLAN**

Page 12

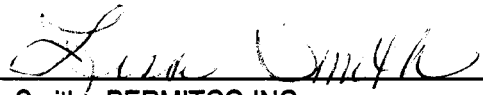
**CERTIFICATION**

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Clarus Energy Advisors, L.L.P. and its contractors and subcontractors in conformity with the plan and the terms and conditions under which it is approved.

This statement is subject to the provisions of 18.U.S.C. 1001 for the filing of a false statement.

March 8, 2004

Date:

  
\_\_\_\_\_  
Lisa L. Smith - PERMITCO INC.  
Authorized Agent for:  
Clarus Energy Advisors, L.L.P.



### **FEDERAL STIPULATIONS**

Any wildlife stipulations that pertain to this lease will be attached as a  
Conditional of Approval by the Bureau of Land Management.



### **ARCHEOLOGY**

Due to current snow conditions, it is not possible to conduct a Class III Archeological Survey at this time. Once the snow has melted sufficiently, Grand River Institute will conduct a Class III Survey. A copy of this report will be submitted directly to the appropriate agencies by Grand River Institute.



**PIPELINE INFORMATION**  
***Thurston Federal #12-1***

1. The type of pipeline is a surface gathering line.
2. The outside diameter (O.D.) Of all pipe is 4 inches.
3. The anticipated production through the line is approximately 650 MCF per day.
4. The anticipated maximum test pressure is 400 psi.
5. The anticipated operating pressure is 200 psi.
6. The type of pipe is steel.
7. The method of coupling is welded.
8. There are no other pipelines to be associated in same right of way.
9. There are no other objects to be associated in same trench.
10. The total length of pipeline is approximately 14,800 feet - see Map D. A pipeline right of way will be required for the off-lease portion of the pipeline in Section 13: N/2; Section 24: E/2 and Section 25: E/2 NE/4, T12S - R21E.
11. The line will be laid on the surface, adjacent to the road as shown on Map D.
12. The construction width needed is approximately 10 feet. The existing roadway will be used for pipe trucks and equipment.
13. The estimate of total acreage involving all surface disturbing activities is 3.4 acres.
14. The pipeline tie-in point is located in the SW NE Section 25, T12S - R21E as shown on Map D.
15. Any surface disturbance created as a result of the pipeline construction will be reclaimed utilizing the reclamation procedures and seed mixture specified by the Bureau of Land Management.





## Clarus Energy Advisors, L.L.P.

30257 Stagecoach Lane  
Evergreen, CO 80439

18988 Ocean Mist Court  
Montgomery, Texas 77356

---

**March 1, 2004**

Bureau of Land Management  
Vernal Field Office  
170 S. 500 E.  
Vernal, UT 84078

Attn: Minerals

Re: All Wells  
Uintah County, Utah

Gentlemen:

This letter is to inform you that Permitco Inc. is authorized to act as Agent and to sign documents on behalf of Clarus Energy Advisors, L.L.P., when necessary for filing county, state and federal permits including Onshore Order No. 1, Right of Way applications, etc., for the above mentioned well.

It should be understood that Permitco is acting as Agent only in those matters stated above and is not responsible for drilling, completion, production or compliance with regulations.

Clarus Energy Advisors, L.L.P. agrees to accept full responsibility for operations conducted in order to drill, complete and produce the above-mentioned well.

Sincerely,

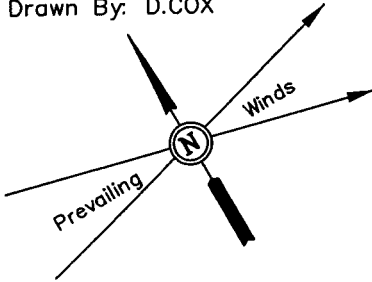
Karl M. Weber  
Partner  
Clarus Energy Advisors, L.L.P.

SCALE: 1" = 50'  
 DATE: 03-01-04  
 Drawn By: D.COX

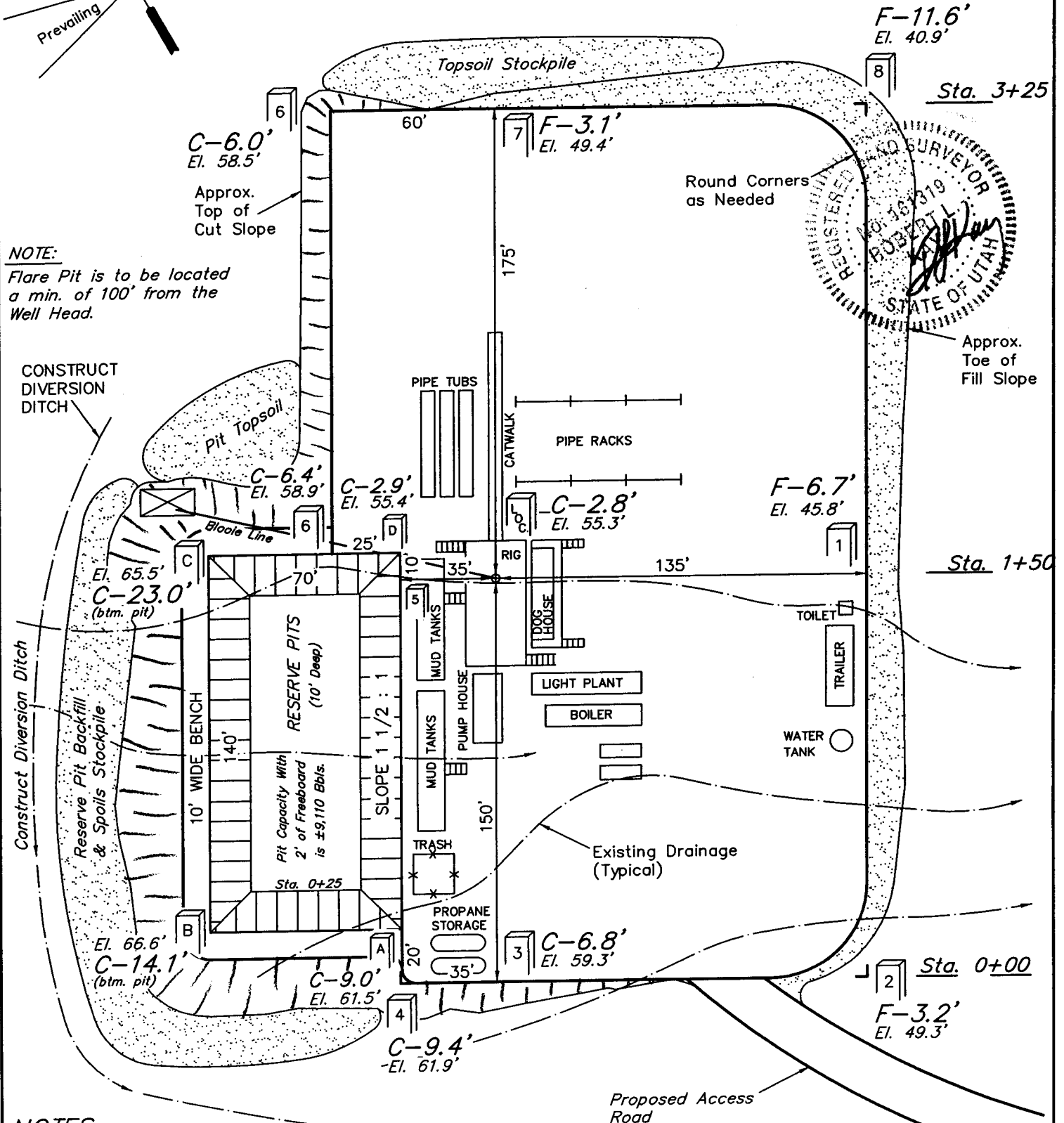
ARUS ENERGY ADVISORS, L.P.

FIGURE #1

LOCATION LAYOUT FOR  
 THURSTON FEDERAL #12-1  
 SECTION 12, T12S, R21E, S.L.B.&M.  
 692' FSL 1959' FWL



NOTE:  
 Flare Pit is to be located  
 a min. of 100' from the  
 Well Head.



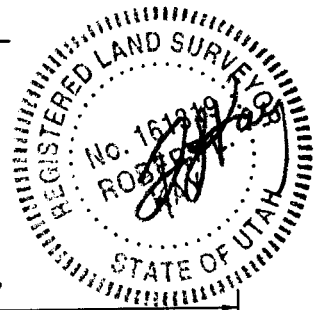
NOTES:

Elev. Ungraded Ground At Loc. Stake = 6055.3'  
 FINISHED GRADE ELEV. AT LOC. STAKE = 6052.5'

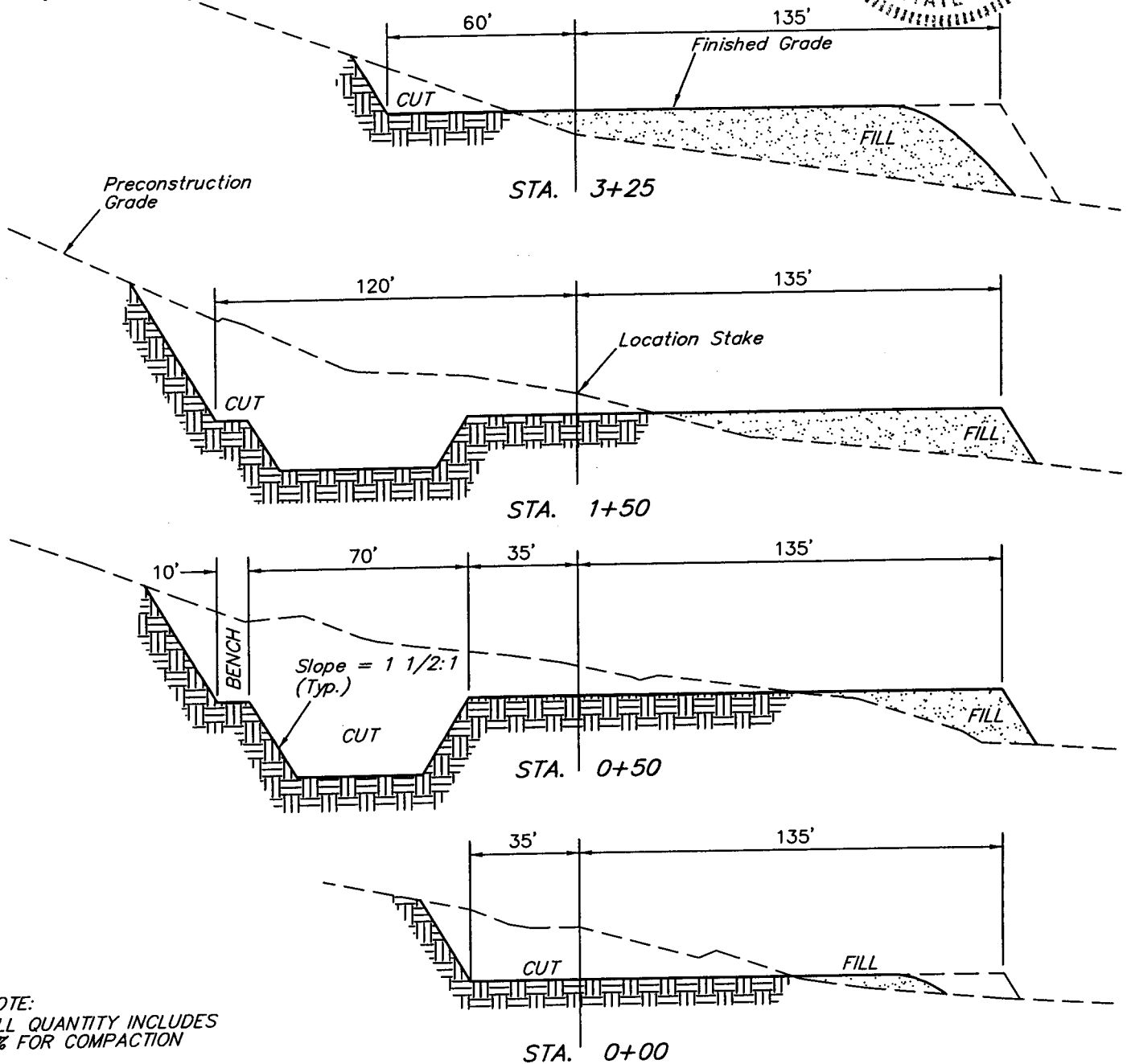
UINTAH ENGINEERING & LAND SURVEYING  
 85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

# ARUS ENERGY ADVISORS, L.P.

## TYPICAL CROSS SECTIONS FOR THURSTON FEDERAL #12-1 SECTION 12, T12S, R21E, S.L.B.&M. 692' FSL 1959' FWL



1" = 20'  
X-Section  
Scale  
1" = 50'  
DATE: 03-01-04  
Drawn By: D.COX



\* NOTE:  
FILL QUANTITY INCLUDES  
5% FOR COMPACTION

### FIGURE #2

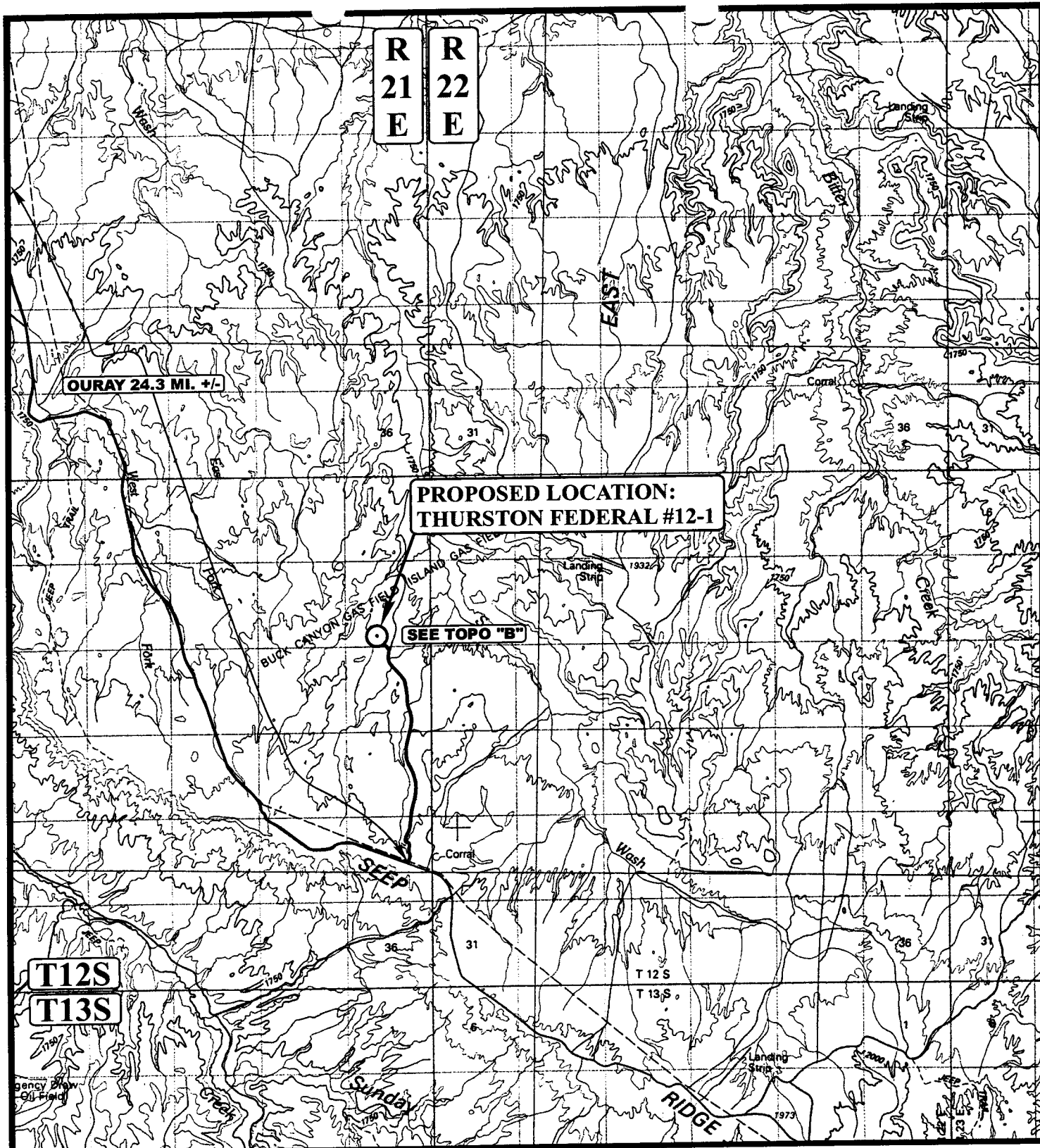
#### APPROXIMATE YARDAGES

|                        |          |                       |
|------------------------|----------|-----------------------|
| CUT                    |          |                       |
| (6") Topsoil Stripping | =        | 1,680 Cu. Yds.        |
| Remaining Location     | =        | 10,620 Cu. Yds.       |
| <b>TOTAL CUT</b>       | <b>=</b> | <b>12,300 CU.YDS.</b> |
| <b>FILL</b>            | <b>=</b> | <b>7,770 CU.YDS.</b>  |

|  |   |                |
|--|---|----------------|
| EXCESS MATERIAL                            | = | 4,530 Cu. Yds. |
| Topsoil & Pit Backfill<br>(1/2 Pit Vol.)   | = | 2,970 Cu. Yds. |
| EXCESS UNBALANCE<br>(After Rehabilitation) | = | 1,560 Cu. Yds. |

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017





# **LEGEND:**

⊙ PROPOSED LOCATION



**U.S. Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813



**CLARUS ENERGY ADVISORS, L.L.P.**

**THURSTON FEDERAL #12-1**  
**SECTION 12, T12S, R21E, S.L.B.&M.**  
**692' FSL 1959' FWL**

**TOPOGRAPHIC**  
**MAP**

**03 01 04**  
MONTH DAY YEAR

**SCALE: 1:100,000** **DRAWN BY: P.M.** **REVISED: 00-00-00**



**CLARUS ENERGY ADVISORS, L.L.P.**  
**THURSTON FEDERAL #12-1**  
LOCATED IN UINTAH COUNTY, UTAH  
SECTION 12, T12S, R21E, S.L.B.&M.



PHOTO: VIEW OF LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

**UELS** Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

**LOCATION PHOTOS**

**03 01 04**  
MONTH DAY YEAR

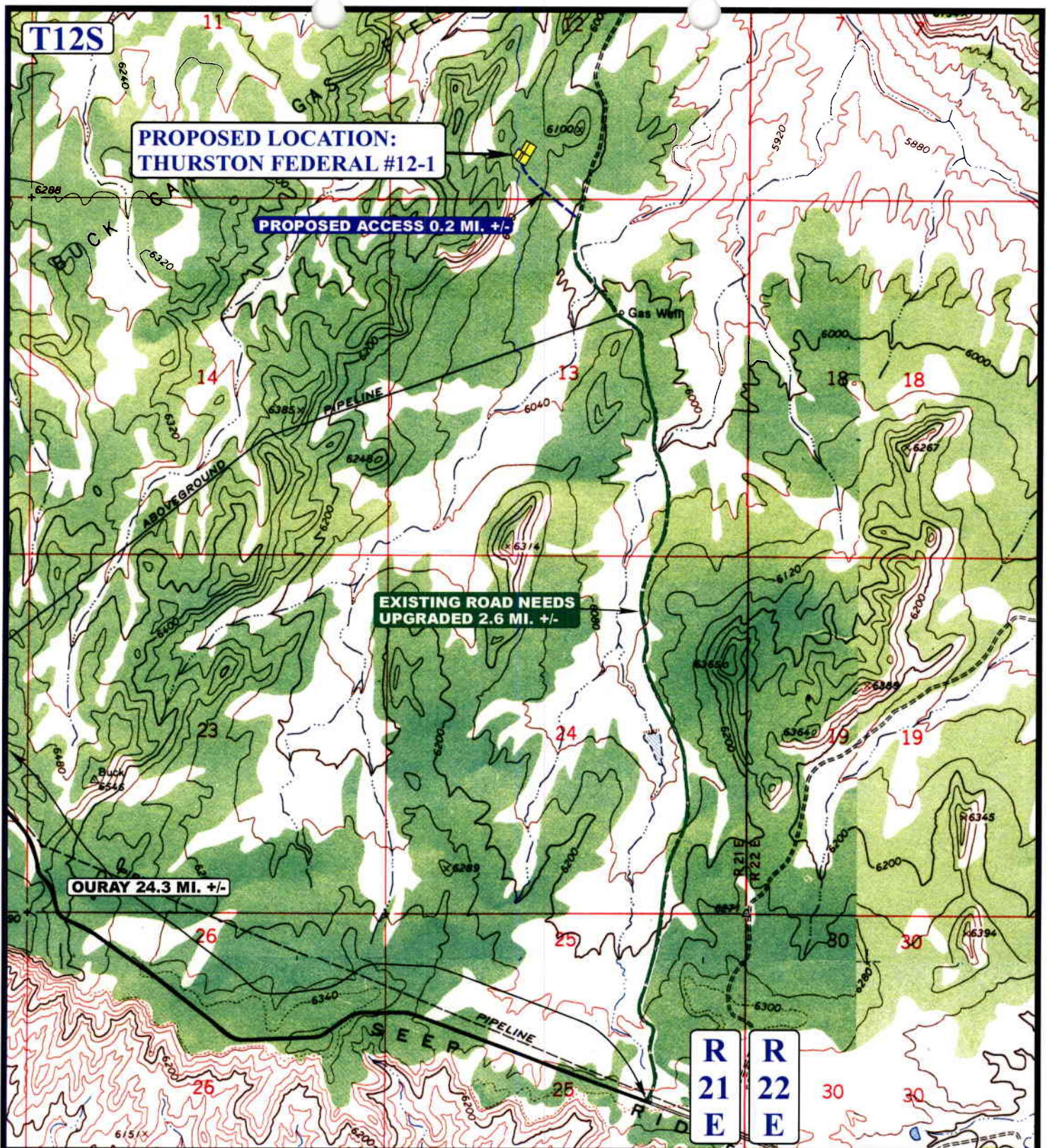
**PHOTO**

TAKEN BY: B.B.

DRAWN BY: P.M.

REVISED: 00-00-00





# LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD
- EXISTING ROAD NEEDS UPGRADED

CLARUS ENERGY ADVISORS, L.L.P.

THURSTON FEDERAL #12-1  
SECTION 12, T12S, R21E, S.L.B.&M.  
692' FSL 1959' FWL



Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

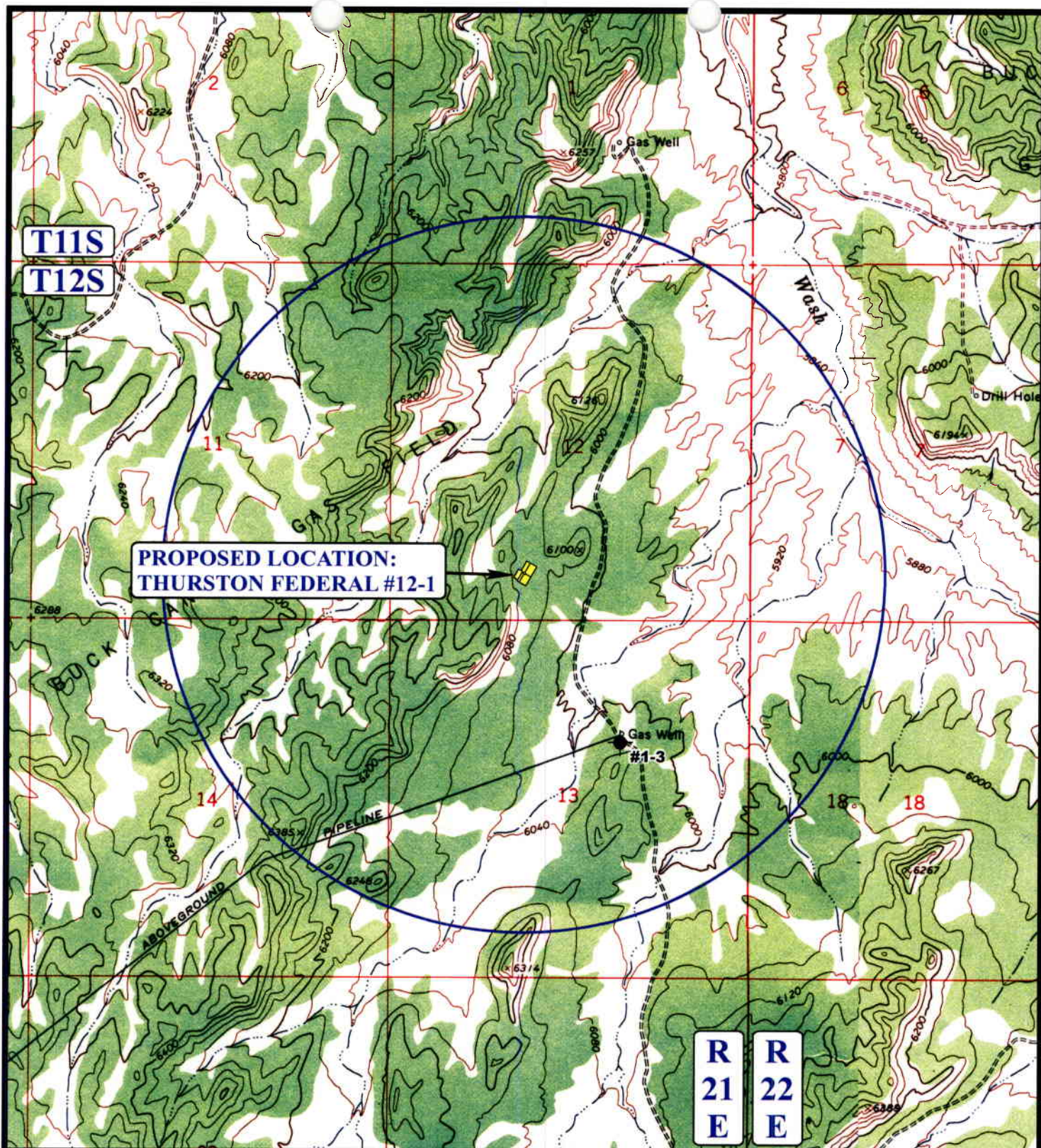
TOPOGRAPHIC  
MAP

03 01 04  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00

B  
TOPO





# **LEGEND:**

- |                   |                         |
|-------------------|-------------------------|
| ⊗ DISPOSAL WELLS  | ⊗ WATER WELLS           |
| ● PRODUCING WELLS | ● ABANDONED WELLS       |
| ● SHUT IN WELLS   | ● TEMPORARILY ABANDONED |

**CLARUS ENERGY ADVISORS, L.L.P.**

**THURSTON FEDERAL #12-1**  
**SECTION 12, T12S, R21E, S.L.B.&M.**  
**692' FSL 1959' FWL**



**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC**  
**MAP**

**03** **01** **04**  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00





**T12S**

**PROPOSED LOCATION:  
THURSTON FEDERAL #12-1**

**PROPOSED ACCESS ROAD**

**PROPOSED PIPELINE**

ABOVEGROUND  
PIPELINE

**TIE-IN POINT**

**EXISTING PIPELINE**

**APPROXIMATE TOTAL PIPELINE DISTANCE = 14,800' +/-**

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE

**CLARUS ENERGY ADVISORS, L.L.P.**

**THURSTON FEDERAL #12-1  
SECTION 12, T12S, R21E, S.L.B.&M.  
692' FSL 1959' FWL**



**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813



**TOPOGRAPHIC  
MAP**

**03 01 04**  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00

**D  
TOPO**



004

WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 03/10/2004

API NO. ASSIGNED: 43-047-35559

WELL NAME: THURSTON FED 12-1

OPERATOR: CLARUS ENERGY ADVISORS ( N2570 )

CONTACT: LISA SMITH

PHONE NUMBER: 303-857-9999

## PROPOSED LOCATION:

SESW 12 120S 210E

SURFACE: 0692 FSL 1959 FWL

BOTTOM: 0692 FSL 1959 FWL

UINTAH

BUCK CANYON ( 565 )

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-73017

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: MVRD

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

| Tech Review | Initials | Date |
|-------------|----------|------|
| Engineering |          |      |
| Geology     |          |      |
| Surface     |          |      |

LATITUDE: 39.78264

LONGITUDE: 109.51765

## RECEIVED AND/OR REVIEWED:

☒ Plat  
☒ Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. 448000100 )  
☒ Potash (Y/N)  
☒ Oil Shale 190-5 (B) or 190-3 or 190-13  
☒ Water Permit  
(No. 43-1723 )  
☒ RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )  
☒ Fee Surf Agreement (Y/N)

## LOCATION AND SITING:

     R649-2-3.

Unit \_\_\_\_\_

☒ R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells     R649-3-3. Exception     Drilling Unit

Board Cause No: \_\_\_\_\_

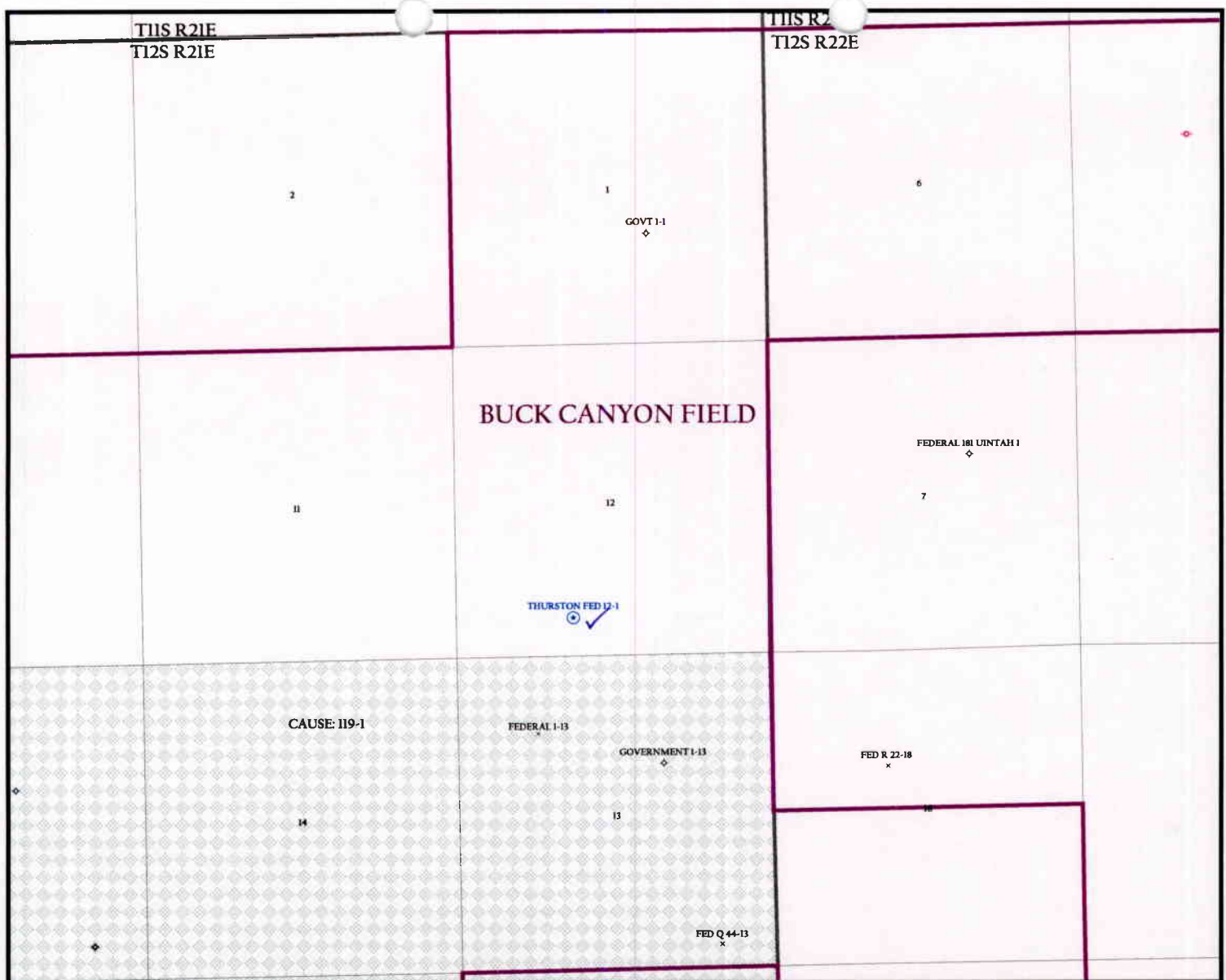
Eff Date: \_\_\_\_\_

Siting: \_\_\_\_\_

     R649-3-11. Directional Drill

COMMENTS: \_\_\_\_\_

STIPULATIONS: 1- Federal Approval2- Spacing Slip



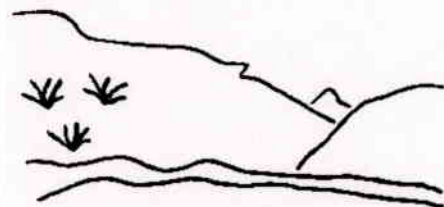
OPERATOR: CLARUS ENERGY (N2570)

SEC. 12 T.12S, R.21E

FIELD: BUCK CANYON (565)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING



Utah Oil Gas and Mining

#### Well Status

- ◇ GAS INJECTION
- ◇ GAS STORAGE
- × LOCATION ABANDONED
- ⊕ NEW LOCATION
- ◇ PLUGGED & ABANDONED
- ★ PRODUCING GAS
- PRODUCING OIL
- ◇ SHUT-IN GAS
- ◇ SHUT-IN OIL
- × TEMP. ABANDONED
- TEST WELL
- △ WATER INJECTION
- ◇ WATER SUPPLY
- ◇ WATER DISPOSAL

#### Unit Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

#### Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED



PREPARED BY: DIANA WHITNEY  
DATE: 31-MARCH-2004



**March 29, 2004**

TO: Ms. Russell  
EMAIL: earlenerussell@utah.gov  
FROM: Karl Weber  
**Subject: Clarus Contact Information**

Contact Information:

Responsible Party -  
Karl M. Weber  
Partner  
**Clarus Energy Advisors, L.L.P.**  
30257 Stagecoach Lane  
Evergreen, CO 80439

Business Telephone: 303/861-0192  
Cell Telephone: 303/908-5303  
Fax Telephone: 303-670-7981

Email: [kmwwrrm@ix.netcom.com](mailto:kmwwrrm@ix.netcom.com)

Operations and Reporting: Karl Weber

Backup: Ted Elison  
Telephone: 936/448-6116  
Cell Telephone: 936/525-9466



**MILLER, DYER & CO. LLC**

475 SEVENTEENTH STREET, SUITE 420

DENVER, COLORADO 80202

TELEPHONE: 303-292-0949

FACSIMILE: 303-292-3901

March 29, 2004

Mr. John Baza  
Division of Oil, Gas and Mining  
P O Box 145801  
Salt Lake City, UT 84114-5801

RE: Cultural Resource Inventory  
Comet Pipeline Alternate Route  
Near Buck Canyon in Uintah County, Utah

Dear Mr. Baza:

Please find attached a copy of the report "Cultural Resource Inventory of Miller, Dyer & Co. LLC's Comet Pipeline Alternate Route Near Buck Canyon in Uintah County, Utah" prepared by Montgomery Archaeological Consultants.

Miller-Dyer is proposing an alternate route for its 12" loop near Buck Canyon. Our right-of-way application has been filed with the BLM Vernal office. We are providing DOGM with a copy. If this report should have been sent to another person or group within the DOGM, then please forward this on to that proper discipline.

If you or any member of DOGM have any questions or comments, please feel free to call me (ext. 109) or John Dyer (ext. 103).

Yours truly,

MILLER, DYER & CO. LLC



Chris A Potter

RECEIVED  
APR 01 2004  
DIV. OF OIL, GAS & MINING



MONTGOMERY  
ARCHAEOLOGICAL  
CONSULTANTS

Box 147, 322 East 100 South, Moab, Utah 84532 (435) 259-5764 Fax (435) 259-5608

March 23, 2004

Mr. John Dyer  
Dyer, Miller & CO  
475 17<sup>th</sup> Street, Suite 420  
Denver, CO 80202

Dear Mr. Dyer:

Enclosed please find two copies of the report entitled "Cultural Resource Inventory of Miller, Dyer and Company's Comet Pipeline Alternate Route Near Buck Canyon in Uintah County, Utah." No cultural resources were located during the inventory. Based on the findings, a determination of "no historic properties affected" pursuant to Section 106, CFR 800 is proposed for this project. SITLA now requires that you send a copy of the report to the Division of Oil, Gas, and Mining (DOGM). Accordingly, please forward one of the enclosed copies to DOGM after your review.

Also enclosed is an invoice for costs associated with this project.

We appreciate the opportunity to provide consulting services for this project. If you have any questions or comments please call me.

Sincerely,

Keith R. Montgomery  
Principal Investigator/Owner

cc: Lynn Becker, Energy Minerals Division, Ute Indian Tribe, Fort Duchesne, UT  
Manuel Myore, Environmental Protection Specialist, BIA, Fort Duchesne, UT  
Betsy Chapoose, Director Cultural Rights & Protection, Uintah-Ouray Reservation  
Garry Cantley, Bureau of Indian Affairs, Phoenix, AZ  
Kenny Wintch, State of Utah Trust Lands Administration, Salt Lake City, Utah  
Mr. Blaine Phillips, BLM, Vernal Field Office

CULTURAL RESOURCE INVENTORY OF  
MILLER, DYER AND COMPANY'S COMET  
PIPELINE ALTERNATE ROUTE NEAR  
BUCK CANYON IN UINTAH COUNTY, UTAH

Keith R. Montgomery  
and  
Katie Simon

CULTURAL RESOURCE INVENTORY OF  
MILLER, DYER AND COMPANY'S COMET  
PIPELINE ALTERNATE ROUTE (ESMT 483) NEAR  
BUCK CANYON IN UINTAH COUNTY, UTAH

BY:

Keith R. Montgomery  
and  
Katie Simon

Prepared For:

Bureau of Land Management  
Vernal Field Office

State Institutional Trust Lands

and

Ute Indian Tribe  
Uintah and Ouray Agency

Prepared Under Contract With:

Miller, Dyer and Company  
475 17<sup>th</sup> St., Suite 420  
Denver, CO 80202

Prepared By:

Montgomery Archaeological Consultants  
P.O. Box 147  
Moab, Utah 84532

MOAC Report No. 04-27

March 23, 2004

United States Department of Interior (FLPMA)  
Permit No. 03-UT-60122

State of Utah Antiquities Project (Survey)  
Permit No. U-04-MQ-0259b,i,s

Ute Indian Tribe Permit No. A04-363

## INTRODUCTION

A cultural resource inventory was conducted by Montgomery Archaeological Consultants (MOAC) in March 2004 for a proposed Miller, Dyer and Company Comet Pipeline alternate route near Buck Canyon in Uintah County, Utah. The survey was implemented at the request of Mr. John Dyer. The project is situated on lands administered by the Bureau of Land Management (BLM), Vernal Field Office, State Institutional Trust Lands (SITLA), and Ute Indian Tribal Lands (Uintah and Ouray Agency).

The objective of the inventory was to locate, document, and evaluate any cultural resources within the project area in order to comply with Section 106 of 36 CFR 800, the National Historic Preservation Act of 1966 (as amended). Also, the inventory was implemented to attain compliance with a number of federal and state mandates, including the National Environmental Policy Act of 1969, the Archaeological and Historic Conservation Act of 1972, the Archaeological Resources Protection Act of 1979, the American Indian Religious Freedom Act of 1978, and the Utah State Antiquities Act of 1973 (amended 1990).

The fieldwork was performed on March 10-12, 2004 by Keith Montgomery. The inventory was conducted under the auspices of U.S.D.I. (FLPMA) Permit No. 03-UT-60122, State of Utah Antiquities Permit (Survey) No. U-04-MQ-0259b,i,s and Ute Indian Tribe Permit A04-363 issued to MOAC, Moab, Utah.

A file search for previous cultural resource inventories and archaeological sites was conducted by Keith Montgomery at the BLM Vernal Field Office on March 11, 2004. An in-house file search was also conducted at the MOAC office. These consultations indicated that one site is present in the vicinity. Site 42Un1780 was previously recorded by Archeological-Environmental Research Corporation (AERC) in 1989 for the proposed Book Cliffs Highway (Hauck 1989 Report No. U89-AF-687). This site is a prehistoric campsite consisting of the remnants of several hearth features, and a concentration of dispersed chert flakes and tools. Site 42Un1780 was occupied by both the Fremont and the Ute, evidenced by the presence of a Uintah Side-notched projectile point and a Desert Side-notched point. It was revisited in 2002 by MOAC during a seismic project inventory (U-02-MQ-0243b,p,s) in 2002 and the existing documentation was deemed adequate (Elkins and Montgomery 2002).

## DESCRIPTION OF THE PROJECT AREA

Miller, Dyer and Company's proposed Comet Pipeline alternate route is situated in Township 12 South, Range 22 East, Section 30 & 31; Township 13 South, Range 22 East, Section 6; Township 13 South, Range 21 East, Section 1, 2, 3, & 10.

### Environmental Setting

The project area lies within the Uinta Basin physiographic unit, a distinctly bowl-shaped geologic structure (Stokes 1986:231). The Uinta Basin ecosystem is within the Green River drainage, considered to be the northernmost extension of the Colorado Plateau. Wonsits Valley occurs within the Central Badlands District of the Uintah Basin, which is an area of broad erosional benches with extensive badland rims along the drainages. The heavily eroded benches and mesas

are capped with sand and silt which erode downslope forming areas of sand dunes, sand sheets, and colluvial clays. The project area includes aeolian sands and silts that mantle the old piedmont-slope deposits, the alluvial valley fill, and bedrock exposures. The aeolian deposits are somewhat discontinuous and appear as widespread sand sheets and isolated dunes. Outcrops of the Uinta formation are characterized by a dense dendritic drainage pattern and topographic relief. This Eocene-age formation occurs as fluvial deposited interbedded sandstone and mudstone and is well-known for its fossil vertebrate turtles, crocodilians, fish, and mammals.

Specifically, the inventory area is situated along the north side of the Chapita Wells Gas Field, south of Glen Bench. The nearest permanent water source is the White River situated approximately 2 miles to the southwest. Ephemeral drainages surround the project area and include Red Wash and Coyote Wash. Elevation of the project area averages 4900 feet (1498 meters) a.s.l. The vegetation includes sagebrush, greasewood, shadscale, Russian thistle, snakeweed, winterfat, prickly pear cactus, and various grasses. Modern disturbances include livestock grazing, roads, and oil/gas development.

## SURVEY METHODOLOGY

An intensive pedestrian survey was performed by the archaeologist walking parallel transects spaced no more than 10 meters apart, which is considered 100% coverage for this project. The pipeline corridors was surveyed to a width of 30 m (100 ft) . Ground visibility was considered good. A total of 59.3 acres was inventoried with 39.9 acres occurring on BLM administrated land, Vernal Field Office, 13.9 acres on SITLA, and 5.5 acres on Ute Indian Tribal Land.

## RESULTS AND RECOMMENDATIONS

The inventory of Miller, Dyer, and Company's proposed pipeline corridor resulted in no cultural resources. Based on the findings, a recommendation of "no historic properties affected" is proposed for the project pursuant to Section 106, CFR 800.

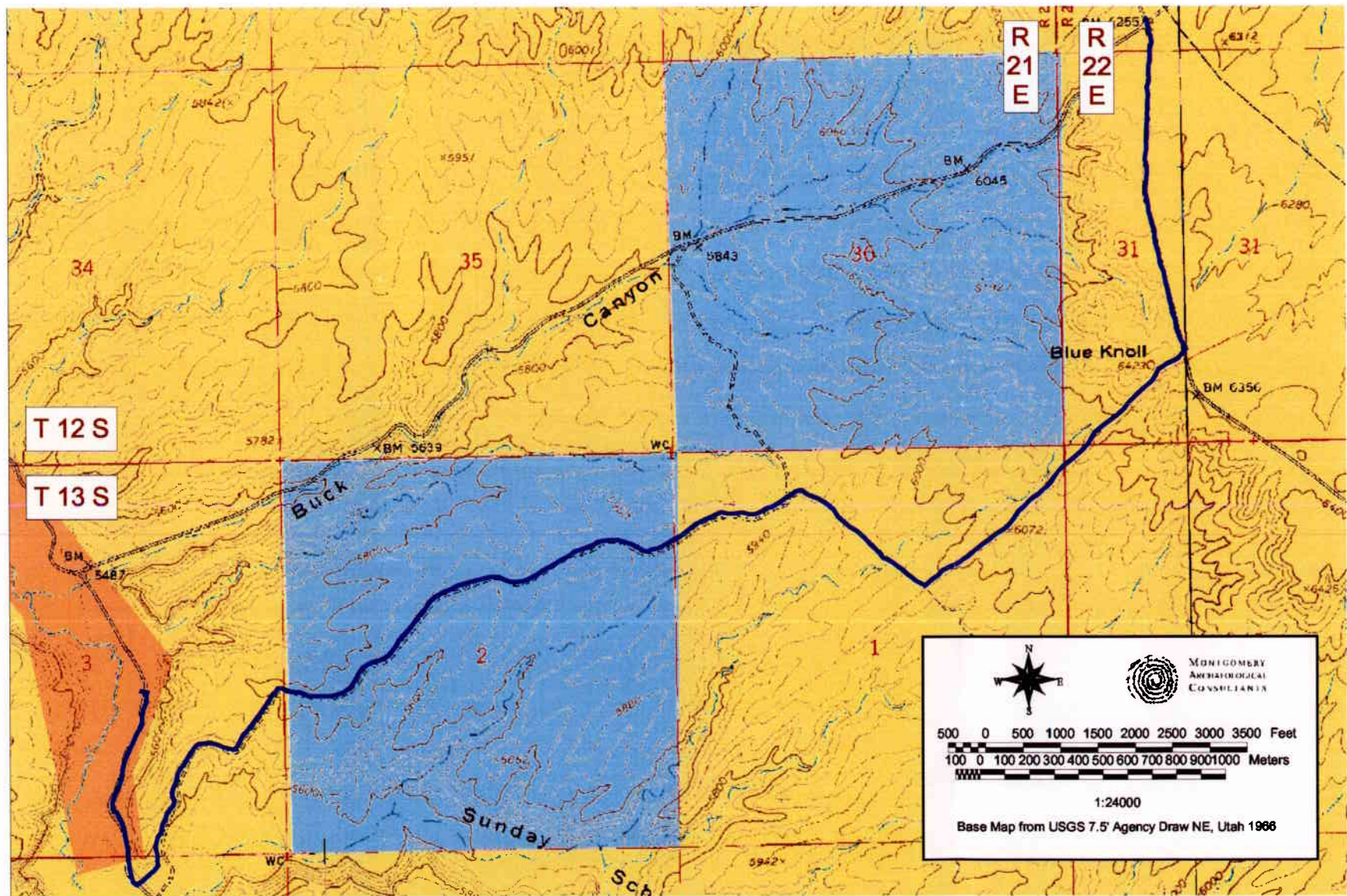


Figure 1. Inventory of Miller, Dyer and Company's Comet Pipeline Alternate Route Near Buck Canyon in Uintah County, Utah

## REFERENCES CITED

- Elkins, M. and K.R. Montgomery  
2002b Cultural Resource Inventory of Seven Seismic Lines for the Veritas Uintah Seismic Project, Uinta County, Utah. Montgomery Archaeological Consultants, Moab, Utah. Project No. U-03-MQ-0243b,p,s.
- Hauck, F.R.  
1989 Cultural Resource Evaluation of Proposed Book Cliffs Highway. Archeological-Environmental Research Corporation, Bountiful, Utah. Project No. U-89-AF-0687.
- Stokes, W.L.  
1986 *Geology of Utah*. Utah Museum of Natural History and Utah Geological and Mineral Survey, Salt Lake City.





State of Utah

Department of  
Natural Resources

Division of  
Oil, Gas & Mining

ROBERT L. MORGAN  
*Executive Director*

LOWELL P. BRAXTON  
*Division Director*

MICHAEL O. LEAVITT  
*Governor*

OLENE S. WALKER  
*Lieutenant Governor*

April 12, 2004

Clarus Energy Advisors, L.L.P.  
30257 Stagecoach Lane  
Evergreen, CO 80439

Re: Thurston Federal #12-1 Well, 692' FSL, 1959' FWL, SE SW, Sec. 12,  
T. 12 South, R. 21 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-35559.

Sincerely,

John R. Baza  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor  
Bureau of Land Management, Vernal District Office

**Operator:** Clarus Energy Advisors, L.L.P.  
**Well Name & Number** Thurston Federal #12-1  
**API Number:** 43-047-35559  
**Lease:** UTU-73017

**Location:** SE SW                      **Sec.** 12                      **T.** 12 South                      **R.** 21 East

### **Conditions of Approval**

**1. General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

**2. Notification Requirements**

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

**3. Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

**4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.**

**5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.**



7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM BIA n/a

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: n/a

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: n/a

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

**DATA ENTRY:**

1. Changes entered in the **Oil and Gas Database** on: 8/31/2004
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 8/31/2004
3. Bond information entered in RBDMS on: n/a
4. Fee/State wells attached to bond in RBDMS on: n/a
5. Injection Projects to new operator in RBDMS on: n/a
6. Receipt of Acceptance of Drilling Procedures for APD/New on: 8/11/2004

**FEDERAL WELL(S) BOND VERIFICATION:**

1. Federal well(s) covered by Bond Number: UTB00062

**INDIAN WELL(S) BOND VERIFICATION:**

1. Indian well(s) covered by Bond Number: n/a

**FEE & STATE WELL(S) BOND VERIFICATION:**

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number n/a
2. The **FORMER** operator has requested a release of liability from their bond on: n/a  
The Division sent response by letter on: n/a

**LEASE INTEREST OWNER NOTIFICATION:**

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

**COMMENTS:**

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

|   |  |  |
|---|--|--|
| 1. TYPE OF WELL<br>OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____  |  | 5. LEASE DESIGNATION AND SERIAL NUMBER:<br>UTU73017            |
| 2. NAME OF OPERATOR:<br>The Houston Exploration Company N2525   |  | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME:<br>Thurston Federal Unit |
| 3. ADDRESS OF OPERATOR:<br>1100 Louisiana, Suite 2000 CITY Houston STATE TX ZIP _____   |  | 7. UNIT or CA AGREEMENT NAME:<br>Thurston Federal #12-1        |
| 4. LOCATION OF WELL<br>FOOTAGES AT SURFACE: 692' FSL , 1959' FWL COUNTY: Uintah<br>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 12 12S 21E STATE: UTAH |  | 8. WELL NAME and NUMBER:<br>4304735559                         |
|   |  | 9. API NUMBER:<br>4304735559                                   |
|   |  | 10. FIELD AND POOL, OR WILDCAT:<br>Wildcat                     |

| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA                                  |   |   |  |
|--|---|---|--|
| TYPE OF SUBMISSION   | TYPE OF ACTION  |   |  |
| <input type="checkbox"/> NOTICE OF INTENT<br>(Submit in Duplicate)<br>Approximate date work will start:<br>_____ | <input type="checkbox"/> ACIDIZE                        | <input type="checkbox"/> DEEPEN                           | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
|  | <input type="checkbox"/> ALTER CASING                   | <input type="checkbox"/> FRACTURE TREAT                   | <input type="checkbox"/> SIDETRACK TO REPAIR WELL      |
|  | <input type="checkbox"/> CASING REPAIR                  | <input type="checkbox"/> NEW CONSTRUCTION                 | <input type="checkbox"/> TEMPORARILY ABANDON           |
|  | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS       | <input checked="" type="checkbox"/> OPERATOR CHANGE       | <input type="checkbox"/> TUBING REPAIR                 |
|  | <input type="checkbox"/> CHANGE TUBING                  | <input type="checkbox"/> PLUG AND ABANDON                 | <input type="checkbox"/> VENT OR FLARE                 |
| <input type="checkbox"/> SUBSEQUENT REPORT<br>(Submit Original Form Only)<br>Date of work completion:<br>_____   | <input type="checkbox"/> CHANGE WELL NAME               | <input type="checkbox"/> PLUG BACK                        | <input type="checkbox"/> WATER DISPOSAL                |
|  | <input type="checkbox"/> CHANGE WELL STATUS             | <input type="checkbox"/> PRODUCTION (START/RESUME)        | <input type="checkbox"/> WATER SHUT-OFF                |
|  | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE         | <input type="checkbox"/> OTHER: _____                  |
|  | <input type="checkbox"/> CONVERT WELL TYPE              | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION |  |


12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Operator change from Permitco Inc., Agent for Clarus Energy Advisors, L.L.P. to The Houston Exploration Company.

Please transfer APD to The Houston Exploration Company

effective 6/1/04

Bond # UTB00062

|   |                |
|---|----------------|
| NAME (PLEASE PRINT) Lloyd Bruce   | TITLE Engineer |
| SIGNATURE  | DATE 8/5/2004  |

(This space for State use only)

RECEIVED  
AUG 11 2004

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

**Request to Transfer Application or Permit to Drill**

(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

|  |   |
|--|---|
| Well name:                               | Thurston Federal #12-1                                  |
| API number:                              | 4304735559  |
| Location:                                | Qtr-Qtr: SESW Section: 12 Township: 12S Range: 21E      |
| Company that filed original application: | Permitco Inc., Agent for Clarus Energy Advisors, L.L.P. |
| Date original permit was issued:         | 04/12/2004  |
| Company that permit was issued to:       | Clarus Energy Advisors, L.L.P.                          |

| Check one                           | Desired Action:   |
|-------------------------------------|---|
| <input type="checkbox"/>            | <b>Transfer pending (unapproved) Application for Permit to Drill to new operator</b>  |
| <input type="checkbox"/>            | The undersigned as owner with legal rights to drill on the property, hereby verifies that the information as submitted in the pending Application for Permit to Drill, remains valid and does not require revision. The new owner of the application accepts and agrees to the information and procedures as stated in the application. |
| <input checked="" type="checkbox"/> | <b>Transfer approved Application for Permit to Drill to new operator</b>  |
| <input type="checkbox"/>            | The undersigned as owner with legal rights to drill on the property as permitted, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.   |

| Following is a checklist of some items related to the application, which should be verified.  | Yes                                 | No                                  |
|---|-------------------------------------|-------------------------------------|
| If located on private land, has the ownership changed?  |                                     |                                     |
| <input type="checkbox"/> If so, has the surface agreement been updated?   |                                     |                                     |
| Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?                           |                                     | <input checked="" type="checkbox"/> |
| Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?                                      |                                     | <input checked="" type="checkbox"/> |
| Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?                                      |                                     | <input checked="" type="checkbox"/> |
| Has the approved source of water for drilling changed?  |                                     | <input checked="" type="checkbox"/> |
| Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? |                                     | <input checked="" type="checkbox"/> |
| Is bonding still in place, which covers this proposed well? Bond No. <u>104155043</u>   | <input checked="" type="checkbox"/> |                                     |

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

Name (please print) Lloyd Bruce Title Ops Engineer  
Signature [Signature] Date 08/05/2004  
Representing (company name) The Houston Exploration Company

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.

(3/2004)

**RECEIVED**  
**AUG 11 2004**  
DIV. OF OIL, GAS & MINING

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

## SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

|  |  |  |
|--|--|--|
| 1. TYPE OF WELL<br>OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____ |  | 5. LEASE DESIGNATION AND SERIAL NUMBER:<br>UTU73017            |
| 2. NAME OF OPERATOR:<br>Clarus Energy Advisors, L.L.P. N2570                                       |  | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME:<br>Thurston Federal Unit |
| 3. ADDRESS OF OPERATOR:<br>30257 Stagecoach Ln CITY Evergreen STATE CO ZIP 80439                   |  | 7. UNIT or CO AGREEMENT NAME:<br>Thurston Federal Unit         |
| PHONE NUMBER:<br>(303) 861-0192  |  | 8. WELL NAME and NUMBER:<br>Thurston Federal #12-1             |
| 4. LOCATION OF WELL<br>FOOTAGES AT SURFACE: 692' FSL, 1959' FWL                                    |  | 9. API NUMBER:<br>4304735559                                   |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 12 12S 21E                                       |  | 10. FIELD AND POOL, OR WILDCAT:<br>Wildcat                     |
| COUNTY: Uintah   |  | STATE: UTAH  |

## 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

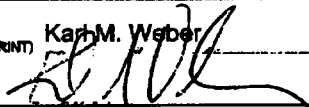
| TYPE OF SUBMISSION   | TYPE OF ACTION  |   |  |
|--|---|---|--|
| <input type="checkbox"/> NOTICE OF INTENT<br>(Submit in Duplicate)<br>Approximate date work will start:<br>_____ | <input type="checkbox"/> ACIDIZE                        | <input type="checkbox"/> DEEPEN                           | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
|  | <input type="checkbox"/> ALTER CASING                   | <input type="checkbox"/> FRACTURE TREAT                   | <input type="checkbox"/> SIDETRACK TO REPAIR WELL      |
|  | <input type="checkbox"/> CASING REPAIR                  | <input type="checkbox"/> NEW CONSTRUCTION                 | <input type="checkbox"/> TEMPORARILY ABANDON           |
|  | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS       | <input checked="" type="checkbox"/> OPERATOR CHANGE       | <input type="checkbox"/> TUBING REPAIR                 |
|  | <input type="checkbox"/> CHANGE TUBING                  | <input type="checkbox"/> PLUG AND ABANDON                 | <input type="checkbox"/> VENT OR FLARE                 |
| <input type="checkbox"/> SUBSEQUENT REPORT<br>(Submit Original Form Only)<br>Date of work completion:<br>_____   | <input type="checkbox"/> CHANGE WELL NAME               | <input type="checkbox"/> PLUG BACK                        | <input type="checkbox"/> WATER DISPOSAL                |
|  | <input type="checkbox"/> CHANGE WELL STATUS             | <input type="checkbox"/> PRODUCTION (START/RESUME)        | <input type="checkbox"/> WATER SHUT-OFF                |
|  | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE         | <input type="checkbox"/> OTHER: _____                  |
|  | <input type="checkbox"/> CONVERT WELL TYPE              | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION |  |

## 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Operator change from Permitco Inc., Agent for Clarus Energy Advisors, L.L.P. to The Houston Exploration Company.

Please transfer APD to The Houston Exploration Company

This change is effective June 1, 2004.

|   |                       |
|---|-----------------------|
| NAME (PLEASE PRINT) Karl M. Weber   | TITLE Partner/Manager |
| SIGNATURE  | DATE 08/24/2004       |

(This space for State use only)

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DIV. OF OIL, GAS & MINING

CONFIDENTIAL

**DIVISION OF OIL, GAS AND MINING****SPUDDING INFORMATION**Name of Company: THE HOUSTON EXPLORATION COMPANYWell Name: THURSTON FED 12-1Api No: 43-047-35559 Lease Type: FEDERALSection 12 Township 12S Range 21E County UINTAHDrilling Contractor PETE MARTIN'S RIG # BUCKET**SPUDDED:**Date 11/10/2004Time 6:00 PMHow DRY**Drilling will commence:** \_\_\_\_\_Reported by NIKKIE STUBBSTelephone # 1-435-828-8100 BRENT STUBBSDate 11/12/2004 Signed CHD



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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NOV 17 2004

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

008

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.  
Use "APPLICATION FOR PERMIT -" for such proposals

DIV. OF OIL, GAS & MINING

5. Lease Designation and Serial No.  
UTU-73017

6. If Indian, Allottee or Tribe Name  
na

7. If Unit or CA, Agreement Designation  
na

8. Well Name and No.  
Thurston Fed. 21-1

9. API Well No.  
4304735559

10. Field and Pool, or Exploratory Area

11. County or Parish, State  
Uintah Utah

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

The Houston Exploration Company

3. Address and Telephone No.

1100 Lousian Suite 2000 Houston, TX 77002 713-830-6800

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

692' FSL & 1959' FWL

T.12S, R.21E, S.12

12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent  
☐ Subsequent Report  
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment  
☐ Recompletion  
☐ Plugging Back  
☐ Casing Repair  
☐ Altering Casing  
☐ Other  
☒ Change of Plans  
☐ New Construction  
☐ Non-Routine Fracturing  
☐ Water Shut-Off  
☐ Conversion to Injection  
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

The operator requests permission for the following changes to the subject well.

Surface Casing: 11" hole with 8 5/8" casing size

Productoin Casing: 7 7/8" hole with 4 1/2" casing size

Please see attached for cement program changes.

Accepted by the  
Utah Division of  
Oil, Gas and Mining  
FOR RECORD ONLY

14. I hereby certify that the foregoing is true and correct

Signed William A Ryan Title Agent

Date November 15, 2004

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any mater within its jurisdiction.

\*See Instructions on Reverse Side

**Proposed Casing:**

| <u>Hole Size</u> | <u>Casing Size</u> | <u>Weight/FT</u> | <u>Grade</u> | <u>Coupling &amp; Tread</u> | <u>Casing Depth</u> | <u>New/Used</u> |
|------------------|--------------------|------------------|--------------|-----------------------------|---------------------|-----------------|
| 11               | 8 5/8              | 36#              | J-55         | STC                         | 2000                | NEW             |
| 7 7/8            | 4 1/2              | 11.6#            | N-80         | LTC                         | T.D.                | NEW             |

**Cement Program:**

The Surface Casing will be cemented to the Surface as follows:

|          | <u>Casing Size</u> | <u>Cement Type</u>   | <u>Cement Amounts</u> | <u>Cement Yield</u>     | <u>Cement Weight</u> |
|----------|--------------------|--|-----------------------|-------------------------|----------------------|
| Lead:    | 8 5/8              | Primium Lite II<br>.05#/sk Static Free<br>.25#/sk Cello Flake<br>5#/sk KOL Seal<br>.002 gps FP-6L<br>10% Bentonite<br>.5% Sodium Metasilicate<br>3% Potassium Chloride | 250 sks. +/-          | 3.38ft <sup>3</sup> /sk | 11.0 ppg             |
| Tail:    | 8 5/8              | Class "G"<br>2% Calcium Chloride<br>.25#/sk Cello Flake  | 329 sks. +/-          | 1.2ft <sup>3</sup> /sk  | 15.6 ppg             |
| Top Job: | 8 5/8              | 4% Calcium Chloride<br>.25#/sk Cello Flake   | 200 sks. +/-          | 1.10ft <sup>3</sup> /sk | 15.6 ppg             |

Production casing will be cemented to 2,500' or higher as follows:

|       | <u>Casing<br/>Size</u> | <u>Cement<br/>Type</u>  | <u>Cement<br/>Amounts</u> | <u>Cement<br/>Yield</u> | <u>Cement<br/>Weight</u> |
|-------|------------------------|---|---------------------------|-------------------------|--------------------------|
| Lead: | 4 1/2                  | Primium Lite II<br>.25#/sk Cello Flake<br>.05#/sk Static Free<br>5#/sk Kol Seal<br>3% Potassium Chloride<br>.055 gps FP-6L<br>10% Bentonite<br>.5 Sodium Metasilicate | 200 sks +/-               | 3.3ft <sup>3</sup> /sk  | 11.0 ppg                 |
| Tail: | 4 1/2                  | Class "G"<br>.05% Static Free<br>2 Sodium Chloride<br>.1% R-3<br>2% Bentonite   | 400 sks +/-               | 1.56ft <sup>3</sup> /sk | 14.3 ppg                 |

009

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

**ENTITY ACTION FORM**Operator: The Houston Exploration CompanyOperator Account Number: N 2525Address: 1100 Louisiana, Suite 2000city Houstonstate TX zip 77002Phone Number: (713) 830-6800**Well 1**

| API Number            | Well Name             | QC                | Sec       | Twp                              | Rng | County |
|-----------------------|-----------------------|-------------------|-----------|----------------------------------|-----|--------|
| 43-047-35559          | Thurston Federal 12-1 | SWSW              | 12        | 12S                              | 21E | Uintah |
| Action Code           | Current Entity Number | New Entity Number | Spud Date | Entity Assignment Effective Date |     |        |
| A                     | 99999                 | 14420             | 11/10/04  | 12/6/04                          |     |        |
| Comments: <u>MURD</u> |                       |                   |           |                                  |     |        |

**CONFIDENTIAL**

K

**Well 2**

| API Number  | Well Name             | QC                | Sec       | Twp                              | Rng | County |
|-------------|-----------------------|-------------------|-----------|----------------------------------|-----|--------|
|             |                       |                   |           |                                  |     |        |
| Action Code | Current Entity Number | New Entity Number | Spud Date | Entity Assignment Effective Date |     |        |
|             |                       |                   |           |                                  |     |        |
| Comments:   |                       |                   |           |                                  |     |        |

**Well 3**

| API Number  | Well Name             | QC                | Sec       | Twp                              | Rng | County |
|-------------|-----------------------|-------------------|-----------|----------------------------------|-----|--------|
|             |                       |                   |           |                                  |     |        |
| Action Code | Current Entity Number | New Entity Number | Spud Date | Entity Assignment Effective Date |     |        |
|             |                       |                   |           |                                  |     |        |
| Comments:   |                       |                   |           |                                  |     |        |

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Theresa Overturf  
Name (Please Print)

Signature  
Engineering Technician 12/1/04  
Title Date

(5/2000)

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STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:  
UTU 73017

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:  
Thurston Fed Unit

8. WELL NAME and NUMBER:  
Thurston Federal 12-1

9. API NUMBER:  
4304735559

10. FIELD AND POOL, OR WILDCAT:  
Wildcat

1. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER ☐

2. NAME OF OPERATOR:

The Houston Exploration Company

3. ADDRESS OF OPERATOR:

1100 Louisiana, Ste 2000

CITY

Houston

STATE

TX

ZIP

77002

PHONE NUMBER:

(713) 830-6938

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 692' FSL & 1959' FWL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 12 12S 21E

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ NOTICE OF INTENT  
(Submit in Duplicate)

Approximate date work will start:

☒ SUBSEQUENT REPORT  
(Submit Original Form Only)

Date of work completion:

☐ ACIDIZE

☐ ALTER CASING

☐ CASING REPAIR

☐ CHANGE TO PREVIOUS PLANS

☐ CHANGE TUBING

☐ CHANGE WELL NAME

☐ CHANGE WELL STATUS

☐ COMMINGLE PRODUCING FORMATIONS

☐ CONVERT WELL TYPE

☐ DEEPEN

☐ FRACTURE TREAT

☐ NEW CONSTRUCTION

☐ OPERATOR CHANGE

☐ PLUG AND ABANDON

☐ PLUG BACK

☐ PRODUCTION (START/RESUME)

☐ RECLAMATION OF WELL SITE

☐ RECOMPLETE - DIFFERENT FORMATION

☐ REPERFORATE CURRENT FORMATION

☐ SIDETRACK TO REPAIR WELL

☐ TEMPORARILY ABANDON

☐ TUBING REPAIR

☐ VENT OR FLARE

☐ WATER DISPOSAL

☐ WATER SHUT-OFF

☒ OTHER: Prep to log.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

11/10/04 - 11/30/04 Spud & drld to 40'. Ran 13 1/2" csg, set @ 40' & cmted. Drld to 2052'. Ran 8 5/8" csg, set @ 2022' & cmted. Drld to 7803'. Ran 4 1/2" csg, set @ 7765' & cmted.

NAME (PLEASE PRINT) Theresa Overturf

TITLE Engineering Technician

SIGNATURE

*Theresa Overturf*

DATE

12/2/2004

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DEC 06 2004

011

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

## SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

|   |  |  |
|---|--|--|
| 1. TYPE OF WELL<br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <u>CONFIDENTIAL</u> |  | 5. LEASE DESIGNATION AND SERIAL NUMBER:<br>UTU 73017 |
| 2. NAME OF OPERATOR:<br>The Houston Exploration Company   |  | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME:                |
| 3. ADDRESS OF OPERATOR:<br>1100 Louisiana, Ste 2000 CITY Houston STATE TX ZIP 77002   |  | 7. UNIT or CA AGREEMENT NAME:<br>Thurston Fed Unit   |
| 4. LOCATION OF WELL<br>FOOTAGES AT SURFACE: 692' FSL & 1959' FWL  |  | 8. WELL NAME and NUMBER:<br>Thurston Federal 12-1    |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 12 12S 21E  |  | 9. API NUMBER:<br>4304735559                         |
| COUNTY: Uintah  |  | 10. FIELD AND POOL, OR WILDCAT:<br>Wildcat           |
| STATE: UTAH   |  |  |

## 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION   | TYPE OF ACTION  |   |  |
|--|---|---|--|
| <input type="checkbox"/> NOTICE OF INTENT<br>(Submit in Duplicate)<br>Approximate date work will start: _____          | <input type="checkbox"/> ACIDIZE                        | <input type="checkbox"/> DEEPEN                           | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
|  | <input type="checkbox"/> ALTER CASING                   | <input type="checkbox"/> FRACTURE TREAT                   | <input type="checkbox"/> SIDETRACK TO REPAIR WELL      |
|  | <input type="checkbox"/> CASING REPAIR                  | <input type="checkbox"/> NEW CONSTRUCTION                 | <input type="checkbox"/> TEMPORARILY ABANDON           |
|  | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS       | <input type="checkbox"/> OPERATOR CHANGE                  | <input type="checkbox"/> TUBING REPAIR                 |
|  | <input type="checkbox"/> CHANGE TUBING                  | <input type="checkbox"/> PLUG AND ABANDON                 | <input type="checkbox"/> VENT OR FLARE                 |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT<br>(Submit Original Form Only)<br>Date of work completion: _____ | <input type="checkbox"/> CHANGE WELL NAME               | <input type="checkbox"/> PLUG BACK                        | <input type="checkbox"/> WATER DISPOSAL                |
|  | <input type="checkbox"/> CHANGE WELL STATUS             | <input type="checkbox"/> PRODUCTION (START/RESUME)        | <input type="checkbox"/> WATER SHUT-OFF                |
|  | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE         | <input checked="" type="checkbox"/> OTHER: Swab        |
|  | <input type="checkbox"/> CONVERT WELL TYPE              | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION |  |

## 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

12/1/04-12/31/04 Log. Perf 7595'-7601', 7624'-7635', 7642'-7648' & frac w/ 120,000# 20/40 sd. Perf 7120'-7124', 7136'-7142', 7145'-7159', 7197'-7199', 7204'-7208', 7214'-7216' & frac w/ 150,200# 20/40 sd. Flwd on 10/64-18/64" ck, 520-600 MCF, 25-37 BW. Ran 2 3/8" tbg & set @ 7624'. Swab.

|                                      |                              |
|--------------------------------------|------------------------------|
| NAME (PLEASE PRINT) Theresa Overturf | TITLE Engineering Technician |
| SIGNATURE <i>Theresa Overturf</i>    | DATE 1/5/05                  |

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JAN 11 2005

012

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

## SUNDRY NOTICES AND REPORTS ON WELLS

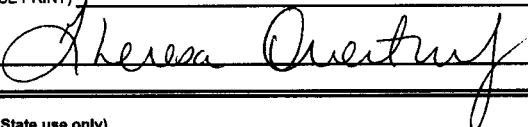
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

|   |  |  |
|---|--|--|
| 1. TYPE OF WELL<br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ |  | 5. LEASE DESIGNATION AND SERIAL NUMBER:<br>UTU 73017       |
| 2. NAME OF OPERATOR:<br>The Houston Exploration Company   |  | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME:<br>Thurston Fed Unit |
| 3. ADDRESS OF OPERATOR:<br>1100 Louisiana, Ste 2000 CITY Houston STATE TX ZIP 77002                           |  | 7. UNIT or CA AGREEMENT NAME:<br>Thurston Federal 12-1     |
| 4. LOCATION OF WELL<br>FOOTAGES AT SURFACE: 692' FSL & 1959' FWL  |  | 8. WELL NAME and NUMBER:<br>Thurston Federal 12-1          |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 12 12S 21E  |  | 9. API NUMBER:<br>4304735559                               |
| COUNTY: Uintah  |  | 10. FIELD AND POOL, OR WILDCAT:<br>Wildcat                 |
| STATE: UTAH   |  |  |

| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA   |   |   |  |
|---|---|---|--|
| TYPE OF SUBMISSION  | TYPE OF ACTION  |   |  |
| <input type="checkbox"/> NOTICE OF INTENT<br>(Submit in Duplicate)<br>Approximate date work will start:<br>_____          | <input type="checkbox"/> ACIDIZE                        | <input type="checkbox"/> DEEPEN                           | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
|   | <input type="checkbox"/> ALTER CASING                   | <input type="checkbox"/> FRACTURE TREAT                   | <input type="checkbox"/> SIDETRACK TO REPAIR WELL      |
|   | <input type="checkbox"/> CASING REPAIR                  | <input type="checkbox"/> NEW CONSTRUCTION                 | <input type="checkbox"/> TEMPORARILY ABANDON           |
|   | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS       | <input type="checkbox"/> OPERATOR CHANGE                  | <input type="checkbox"/> TUBING REPAIR                 |
|   | <input type="checkbox"/> CHANGE TUBING                  | <input type="checkbox"/> PLUG AND ABANDON                 | <input type="checkbox"/> VENT OR FLARE                 |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT<br>(Submit Original Form Only)<br>Date of work completion:<br>_____ | <input type="checkbox"/> CHANGE WELL NAME               | <input type="checkbox"/> PLUG BACK                        | <input type="checkbox"/> WATER DISPOSAL                |
|   | <input type="checkbox"/> CHANGE WELL STATUS             | <input type="checkbox"/> PRODUCTION (START/RESUME)        | <input type="checkbox"/> WATER SHUT-OFF                |
|   | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE         | <input checked="" type="checkbox"/> OTHER: _____       |
|   | <input type="checkbox"/> CONVERT WELL TYPE              | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION |  |

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

1/1/05 - 1/31/05 Swb &amp; flow average 260 MCF. Set pkr @ 7494'. Well will not flow.

|   |                              |
|---|------------------------------|
| NAME (PLEASE PRINT) Theresa Overturf  | TITLE Engineering Technician |
| SIGNATURE  | DATE 2/4/2005                |

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DIV OF OIL, GAS &amp; MINING

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

013

5. LEASE DESIGNATION AND SERIAL NUMBER:  
UTU 73017

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER \_\_\_\_\_

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:  
Thurston Fed Unit

2. NAME OF OPERATOR:  
The Houston Exploration Company

8. WELL NAME and NUMBER:  
Thurston Federal 12-1

3. ADDRESS OF OPERATOR:  
1100 Louisiana, Ste 2000 CITY Houston STATE TX ZIP 77002

PHONE NUMBER:  
(713) 830-6938

9. API NUMBER:  
4304735559

10. FIELD AND POOL, OR WILDCAT:  
Wildcat

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 692' FSL & 1959' FWL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 12 12S 21E

STATE:  
UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION  | TYPE OF ACTION  |  |   |
|---|---|--|---|
| <input type="checkbox"/> NOTICE OF INTENT<br>(Submit in Duplicate)<br><br>Approximate date work will start:<br>_____<br><br><input checked="" type="checkbox"/> SUBSEQUENT REPORT<br>(Submit Original Form Only)<br><br>Date of work completion:<br>_____ | <input type="checkbox"/> ACIDIZE<br><input type="checkbox"/> ALTER CASING<br><input type="checkbox"/> CASING REPAIR<br><input type="checkbox"/> CHANGE TO PREVIOUS PLANS<br><input type="checkbox"/> CHANGE TUBING<br><input type="checkbox"/> CHANGE WELL NAME<br><input type="checkbox"/> CHANGE WELL STATUS<br><input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS<br><input type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> DEEPEN<br><input type="checkbox"/> FRACTURE TREAT<br><input type="checkbox"/> NEW CONSTRUCTION<br><input type="checkbox"/> OPERATOR CHANGE<br><input type="checkbox"/> PLUG AND ABANDON<br><input type="checkbox"/> PLUG BACK<br><input type="checkbox"/> PRODUCTION (START/RESUME)<br><input type="checkbox"/> RECLAMATION OF WELL SITE<br><input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | <input type="checkbox"/> REPERFORATE CURRENT FORMATION<br><input type="checkbox"/> SIDETRACK TO REPAIR WELL<br><input type="checkbox"/> TEMPORARILY ABANDON<br><input type="checkbox"/> TUBING REPAIR<br><input type="checkbox"/> VENT OR FLARE<br><input type="checkbox"/> WATER DISPOSAL<br><input type="checkbox"/> WATER SHUT-OFF<br><input checked="" type="checkbox"/> OTHER: _____ |

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

2/1/05 - 2/28/05 Well will not flow.

RECEIVED  
MAR 14 2005  
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) Theresa Overturf

TITLE Engineering Technician

SIGNATURE

DATE 3/8/2005

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STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

014

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER \_\_\_\_\_

2. NAME OF OPERATOR:  
The Houston Exploration Company

3. ADDRESS OF OPERATOR:  
1100 Louisiana, Ste 2000 CITY Houston STATE TX ZIP 77002

PHONE NUMBER:  
(713) 830-6938

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 692' FSL & 1959' FWL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 12 12S 21E

STATE: UTAH

5. LEASE DESIGNATION AND SERIAL NUMBER:  
UTU 73017

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:  
Thurston Fed Unit

8. WELL NAME and NUMBER:  
Thurston Federal 12-1

9. API NUMBER:  
4304735559

10. FIELD AND POOL, OR WILDCAT:  
Wildcat

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION  | TYPE OF ACTION  |   |  |
|---|---|---|--|
| <input type="checkbox"/> NOTICE OF INTENT<br>(Submit in Duplicate)<br>Approximate date work will start:<br>_____          | <input type="checkbox"/> ACIDIZE                        | <input type="checkbox"/> DEEPEN                           | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
|   | <input type="checkbox"/> ALTER CASING                   | <input type="checkbox"/> FRACTURE TREAT                   | <input type="checkbox"/> SIDETRACK TO REPAIR WELL      |
|   | <input type="checkbox"/> CASING REPAIR                  | <input type="checkbox"/> NEW CONSTRUCTION                 | <input type="checkbox"/> TEMPORARILY ABANDON           |
|   | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS       | <input type="checkbox"/> OPERATOR CHANGE                  | <input type="checkbox"/> TUBING REPAIR                 |
|   | <input type="checkbox"/> CHANGE TUBING                  | <input type="checkbox"/> PLUG AND ABANDON                 | <input type="checkbox"/> VENT OR FLARE                 |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT<br>(Submit Original Form Only)<br>Date of work completion:<br>_____ | <input type="checkbox"/> CHANGE WELL NAME               | <input type="checkbox"/> PLUG BACK                        | <input type="checkbox"/> WATER DISPOSAL                |
|   | <input type="checkbox"/> CHANGE WELL STATUS             | <input type="checkbox"/> PRODUCTION (START/RESUME)        | <input type="checkbox"/> WATER SHUT-OFF                |
|   | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE         | <input checked="" type="checkbox"/> OTHER: _____       |
|   | <input type="checkbox"/> CONVERT WELL TYPE              | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION |  |

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

3/1/05 - 3/31/05 Test perms 7120'-59'. Flwd on 10/64-14/64" ck, 120 MCF. Well died. Set CIBP @ 7000'. Perf 5206'-14'.

NAME (PLEASE PRINT) Theresa Overturf

TITLE Engineering Technician

SIGNATURE

DATE 4/5/2005

(This space for State use only)

RECEIVED

APR 0 / 2005

DIV. OF OIL, GAS & MINING

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

|   |  |
|---|--|
| 1. TYPE OF WELL<br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ | 5. LEASE DESIGNATION AND SERIAL NUMBER:<br>UTU 73017 |
| 2. NAME OF OPERATOR:<br>The Houston Exploration Company   | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME:                |
| 3. ADDRESS OF OPERATOR:<br>1100 Louisiana, Ste 2000 CITY Houston STATE TX ZIP 77002                           | 7. UNIT or CA AGREEMENT NAME:<br>Thurston Fed Unit   |
| PHONE NUMBER:<br>(713) 830-6938   | 8. WELL NAME and NUMBER:<br>Thurston Federal 12-1    |
| 9. API NUMBER:<br>4304735559  | 10. FIELD AND POOL, OR WILDCAT:<br>Wildcat           |

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 692' FSL & 1959' FWL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 12 12S 21E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION   | TYPE OF ACTION  |   |   |
|--|---|---|---|
| <input type="checkbox"/> NOTICE OF INTENT<br>(Submit in Duplicate)<br>Approximate date work will start: _____          | <input type="checkbox"/> ACIDIZE                        | <input type="checkbox"/> DEEPEN                           | <input type="checkbox"/> REPERFORATE CURRENT FORMATION                |
|  | <input type="checkbox"/> ALTER CASING                   | <input type="checkbox"/> FRACTURE TREAT                   | <input type="checkbox"/> SIDETRACK TO REPAIR WELL                     |
|  | <input type="checkbox"/> CASING REPAIR                  | <input type="checkbox"/> NEW CONSTRUCTION                 | <input type="checkbox"/> TEMPORARILY ABANDON                          |
|  | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS       | <input type="checkbox"/> OPERATOR CHANGE                  | <input type="checkbox"/> TUBING REPAIR                                |
|  | <input type="checkbox"/> CHANGE TUBING                  | <input type="checkbox"/> PLUG AND ABANDON                 | <input type="checkbox"/> VENT OR FLARE                                |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT<br>(Submit Original Form Only)<br>Date of work completion: _____ | <input type="checkbox"/> CHANGE WELL NAME               | <input type="checkbox"/> PLUG BACK                        | <input type="checkbox"/> WATER DISPOSAL                               |
|  | <input type="checkbox"/> CHANGE WELL STATUS             | <input type="checkbox"/> PRODUCTION (START/RESUME)        | <input type="checkbox"/> WATER SHUT-OFF                               |
|  | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE         | <input checked="" type="checkbox"/> OTHER: <u>Waiting on Pipeline</u> |
|  | <input type="checkbox"/> CONVERT WELL TYPE              | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION |   |

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

4/1/05 - 4/30/05 Waiting on Pipeline.

RECEIVED

MAY 09 2005

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) Theresa Overturf

TITLE Engineering Technician

SIGNATURE

DATE 5/5/2005

(This space for State use only)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTRECEIVED  
JUN 06 2005DIV. OF OIL, GAS & MINING  
FORM APPROVED  
OMB NO. 1004-0137  
Expires: November 30, 2000

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.

UTU73017

1a. Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry Otherb. Type of Completion: ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.,

Other \_\_\_\_\_

2. Name of Operator

The Houston Exploration Company

3. Address

1100 Louisiana, Ste 2000, Houston, TX 77002

3a. Phone No. (include area code)

(713) 830-6938

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*

At surface 692' FSL &amp; 1959' FWL

At top prod. interval reported below

At total depth

14. Date Spudded

11/20/04

15. Date T.D. Reached

11/25/04

16. Date Completed

☐ D & A ☒ Ready to Prod.

4/1/05

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

Thurston Federal Unit

8. Lease Name and Well No.

Thurston Federal 12-1

9. API Well No.

4304735559

10. Field and Pool, or Exploratory

Wildcat

11. Sec., T., R., M., on Block and

Survey or Area SESW 12 12S 21E

12. County or Parish

Uintah

13. State

UT

17. Elevations (DF, RKB, RT, GL)\*

6052.2' GL

18. Total Depth: MD 7,803'

TVD

19. Plug Back T.D.: MD

TVD

20. Depth Bridge Plug Set: MD

TVD

21. Type Electric &amp; Other Mechanical Logs Run (Submit copy of each)

Platform Express/AI/LC/G, PE/TRIPLE COMB  
CV/CAL22. Was well cored? ☒ No ☐ Yes (Submit analysis)Was DST run? ☒ No ☐ Yes (Submit report)Directional Survey? ☒ No ☐ Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

| Hole Size | Size/Grade        | Wt. (#/ft.) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sk. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|-------------------|-------------|----------|-------------|----------------------|-----------------------------|-------------------|-------------|---------------|
| 20"       | 14"               | 24#         | Surf     | 52'         |                      |                             |                   | Surface     |               |
| 11"       | 8 5/8 J55 24#     |             | Surf     | 2034'       |                      | 500 sx Prem                 |                   | Surface     |               |
| 7 7/8"    | 4 1/2" N80 11.60# |             | Surf     | 7765'       |                      | 292 sx Prem+ 781 sx C1 G    | 193 182           | Surface     |               |
|           |                   |             |          |             |                      |                             |                   |             |               |
|           |                   |             |          |             |                      |                             |                   |             |               |
|           |                   |             |          |             |                      |                             |                   |             |               |

24. Tubing Record

| Size   | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) |
|--------|----------------|-------------------|------|----------------|-------------------|------|----------------|-------------------|
| 2 3/8" | 7474'          |                   |      |                |                   |      |                |                   |

25. Producing Intervals

| Formation    | Top   | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|--------------|-------|--------|---------------------|------|-----------|--------------|
| A) Mesaverde | 5275' | 7645'  | 5206'-5214'         |      | 24        | Open         |
| B) Mesaverde | 5275' | 7645'  | 7120'-7124'         |      | 12        | Open         |
| C)           |       |        | 7136'-7142'         |      | 18        | Open         |
| D)           |       |        | 7145'-7159'         |      | 42        | Open         |

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

(SEE REMARKS FOR ADDITIONAL PERFS)

| Depth Interval | Amount and Type of Material |
|----------------|-----------------------------|
| 7120'-7216'    | 150,200# 20/40 sd           |
| 7595'-7648'    | 120,000# 20/40 sd           |
|                |                             |
|                |                             |

28. Production - Interval A

| Date First Produced | Test Date            | Hours Tested   | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity         | Production Method |
|---------------------|----------------------|----------------|-----------------|---------|---------|-----------|-----------------------|---------------------|-------------------|
| 5/6/05              | 4/3/05               | 24             | →               | 1       | 600     | 5         | 55.0                  | 1000                | Flow              |
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press. SI | 24 Hr. Rate     | Oil BBL | Gas MCF | Water BBL | Gas : Oil Ratio       | Well Status         |                   |
|                     | 375                  | 650            | →               | 1       | 600     | 5         | 600,000               | Waiting On Pipeline |                   |

28a. Production - Interval B

| Date First Produced | Test Date            | Hours Tested   | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|----------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
|                     |                      |                | →               |         |         |           |                       |             |                   |
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press. SI | 24 Hr. Rate     | Oil BBL | Gas MCF | Water BBL | Gas : Oil Ratio       | Well Status |                   |
|                     |                      |                | →               |         |         |           |                       |             |                   |

(See instructions and spaces for additional data on reverse side)

## 28b. Production - Interval C

| Date First Produced | Test Date                  | Hours Tested | Test Production<br>→ | Oil BBL | Gas MCF | Water BBL | Oil Gravity<br>Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------------|--------------|----------------------|---------|---------|-----------|--------------------------|-------------|-------------------|
| Choke Size          | Tbg. Press.<br>Flwg.<br>SI | Csg. Press.  | 24 Hr. Rate<br>→     | Oil BBL | Gas MCF | Water BBL | Gas : Oil Ratio          | Well Status |                   |

## 28c. Production - Interval D

| Date First Produced | Test Date                  | Hours Tested | Test Production<br>→ | Oil BBL | Gas MCF | Water BBL | Oil Gravity<br>Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------------|--------------|----------------------|---------|---------|-----------|--------------------------|-------------|-------------------|
| Choke Size          | Tbg. Press.<br>Flwg.<br>SI | Csg. Press.  | 24 Hr. Rate<br>→     | Oil BBL | Gas MCF | Water BBL | Gas : Oil Ratio          | Well Status |                   |

## 29. Disposition of Gas (Sold, used for fuel, vented, etc.)

## 30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

## 31. Formation (Log) Markers

| Formation | Top | Bottom | Descriptions, Contents, etc. | Name           | Top         |
|-----------|-----|--------|------------------------------|----------------|-------------|
|           |     |        |                              |                | Meas. Depth |
|           |     |        |                              | Uteland Buttes | 3153        |
|           |     |        |                              | Wasatch        | 3271        |
|           |     |        |                              | Mesaverde      | 5275        |
|           |     |        |                              | Sego           | 7646        |
|           |     |        |                              | Buck Tongue    | 7758        |
|           |     |        |                              | Castlegate     | 7775        |

## 32. Additional remarks (include plugging procedure):

7197'-7199', 6 holes; 7204'-7208' 12 holes; 7214'-7216' 6 holes; 7597'-7601' 18 holes; 7624'-7635' 33 holes; 7642'-~~7648'~~ 18 holes

Please Keep confidential

## 33. Circle enclosed attachments:

1. Electrical/Mechanical Logs (1 full set req'd.) 2. Geologic Report 3. DST Report 4. Directional Survey  
5. Sundry Notice for plugging and cement verification 6. Core Analysis 7. Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)\*

Name (please print) Theresa Overturf

Title Engineering Technician

Signature

*Theresa Overturf*

Date 6/3/05

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

|   |  |  |
|---|--|--|
| 1. TYPE OF WELL<br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ |  | 5. LEASE DESIGNATION AND SERIAL NUMBER:<br>UTU 73017 |
| 2. NAME OF OPERATOR:<br>The Houston Exploration Company   |  | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME:<br>            |
| 3. ADDRESS OF OPERATOR:<br>1100 Louisiana, Ste 2000 CITY Houston STATE TX ZIP 77002                           |  | 7. UNIT or CA AGREEMENT NAME:<br>Thurston Fed Unit   |
| PHONE NUMBER:<br>(713) 830-6938   |  | 8. WELL NAME and NUMBER:<br>Thurston Federal 12-1    |
| 4. LOCATION OF WELL<br>FOOTAGES AT SURFACE: 692' FSL & 1959' FWL  |  | 9. API NUMBER:<br>4304735559                         |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 12 12S 21E  |  | 10. FIELD AND POOL, OR WILDCAT:<br>Wildcat           |

COUNTY: Uintah

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION  | TYPE OF ACTION  |   |  |
|---|---|---|--|
| <input type="checkbox"/> NOTICE OF INTENT<br>(Submit in Duplicate)<br>Approximate date work will start:<br>_____          | <input type="checkbox"/> ACIDIZE                        | <input type="checkbox"/> DEEPEN                               | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
|   | <input type="checkbox"/> ALTER CASING                   | <input type="checkbox"/> FRACTURE TREAT                       | <input type="checkbox"/> SIDETRACK TO REPAIR WELL      |
|   | <input type="checkbox"/> CASING REPAIR                  | <input type="checkbox"/> NEW CONSTRUCTION                     | <input type="checkbox"/> TEMPORARILY ABANDON           |
|   | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS       | <input type="checkbox"/> OPERATOR CHANGE                      | <input type="checkbox"/> TUBING REPAIR                 |
|   | <input type="checkbox"/> CHANGE TUBING                  | <input type="checkbox"/> PLUG AND ABANDON                     | <input type="checkbox"/> VENT OR FLARE                 |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT<br>(Submit Original Form Only)<br>Date of work completion:<br>_____ | <input type="checkbox"/> CHANGE WELL NAME               | <input type="checkbox"/> PLUG BACK                            | <input type="checkbox"/> WATER DISPOSAL                |
|   | <input type="checkbox"/> CHANGE WELL STATUS             | <input checked="" type="checkbox"/> PRODUCTION (START/RESUME) | <input type="checkbox"/> WATER SHUT-OFF                |
|   | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE             | <input type="checkbox"/> OTHER: _____                  |
|   | <input type="checkbox"/> CONVERT WELL TYPE              | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION     |  |

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

5/6/05 Producing.

NAME (PLEASE PRINT) Theresa Overturf

TITLE Engineering Technician

SIGNATURE

DATE 6/8/2005

(This space for State use only)

RECEIVED

JUN 13 2005

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.  
Use "APPLICATION FOR PERMIT -" for such proposals

**SUBMIT IN TRIPLICATE**

**1. Type of Well**

☐ Oil Well ☒ Gas Well ☐ Other

*125 215 Sec. 12*

**2. Name of Operator**

The Houston Exploration Company

**3. Address and Telephone No.**

1100 Louisiana, Suite 2000 Houston, TX 77002 713-830-6800

**4. Location of Well (Footage, Sec., T., R., M., or Survey Description)**

692' FSL & 1959' FWL

**5. Lease Designation and Serial No.**

UTU-73017

**6. If Indian, Allottee or Tribe Name**

na

**7. If Unit or CA, Agreement Designation**

na

**8. Well Name and No.**

Thurston Federal 12-1

**9. API Well No.**

4304735559

**10. Field and Pool, or Exploratory Area**

**11. County or Parish, State**

Uintah Utah

**12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

**TYPE OF SUBMISSION**

- ☒ Notice of Intent  
☐ Subsequent Report  
☐ Final Abandonment Notice

**TYPE OF ACTION**

- ☐ Abandonment  
☐ Recompletion  
☐ Plugging Back  
☐ Casing Repair  
☐ Altering Casing  
☒ Other Water Evaporation  
☐ Change of Plans  
☐ New Construction  
☐ Non-Routine Fracturing  
☐ Water Shut-Off  
☐ Conversion to Injection  
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

**13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\***

The operator proposes to dewater the reserve pit on the subject well. Application for Permit to Drill approved trucking and disposal of produced and drilling fluids. Operator proposes to evaporate instead of trucking the water in the reserve pit to facilitate closing and reclamation of the reserve pit. Operator proposes to use a pumping system for evaporation.

**RECEIVED**

**JUN 16 2005**

DIV. OF OIL, GAS & MINING

Accepted by the  
Utah Division of  
Oil, Gas and Mining  
**FOR RECORD ONLY**

**14. I hereby certify that the foregoing is true and correct**

Signed

*William A. Ryan*

Title Agent

Date 06/06/05

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*See Instructions on Reverse Side**

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

|   |  |   |
|---|--|---|
| 1. TYPE OF WELL<br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ |  | 5. LEASE DESIGNATION AND SERIAL NUMBER:       |
| 2. NAME OF OPERATOR:<br>The Houston Exploration Company <i>N2525</i>  |  | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME:         |
| 3. ADDRESS OF OPERATOR:<br>1100 Louisiana, Ste 2000 CITY Houston STATE TX ZIP 77002                           |  | 7. UNIT or CA AGREEMENT NAME:                 |
| PHONE NUMBER:<br>(713) 830-6938   |  | 8. WELL NAME and NUMBER:<br>See Attached List |
| 4. LOCATION OF WELL<br>FOOTAGES AT SURFACE: See Attached List   |  | 9. API NUMBER:                                |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:  |  | 10. FIELD AND POOL, OR WILDCAT:               |

COUNTY: Uintah

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION   | TYPE OF ACTION  |   |  |
|--|---|---|--|
| <input checked="" type="checkbox"/> NOTICE OF INTENT<br>(Submit in Duplicate)<br><br>Approximate date work will start:<br>Effective<br><u>9/1/05</u> | <input type="checkbox"/> ACIDIZE                        | <input type="checkbox"/> DEEPEN                                   | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
|  | <input type="checkbox"/> ALTER CASING                   | <input type="checkbox"/> FRACTURE TREAT                           | <input type="checkbox"/> SIDETRACK TO REPAIR WELL      |
|  | <input type="checkbox"/> CASING REPAIR                  | <input type="checkbox"/> NEW CONSTRUCTION                         | <input type="checkbox"/> TEMPORARILY ABANDON           |
|  | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS       | <input checked="" type="checkbox"/> OPERATOR CHANGE <u>9/1/05</u> | <input type="checkbox"/> TUBING REPAIR                 |
|  | <input type="checkbox"/> CHANGE TUBING                  | <input type="checkbox"/> PLUG AND ABANDON                         | <input type="checkbox"/> VENT OR FLARE                 |
| <input type="checkbox"/> SUBSEQUENT REPORT<br>(Submit Original Form Only)<br><br>Date of work completion:  | <input type="checkbox"/> CHANGE WELL NAME               | <input type="checkbox"/> PLUG BACK                                | <input type="checkbox"/> WATER DISPOSAL                |
|  | <input type="checkbox"/> CHANGE WELL STATUS             | <input type="checkbox"/> PRODUCTION (START/RESUME)                | <input type="checkbox"/> WATER SHUT-OFF                |
|  | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE                 | <input type="checkbox"/> OTHER: _____                  |
|  | <input type="checkbox"/> CONVERT WELL TYPE              | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION         |  |

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Enduring Resources, LLC Operator #N 2750 Utah State Bond #RLB0008031  
475 17th Street, Ste 1500  
Denver, CO 80202

Contact : Frank Hutto 303-350-5102

*Frank Hutto* VP. OPS  
Signature & Title

Date 9/19/05

NAME (PLEASE PRINT) Joanne Hresko

TITLE Vice President/General Manager Onshore

SIGNATURE *Joanne Hresko*

DATE 9/2/2005

(This space for State use only)

**APPROVED** 9/29/2005

*Earlene Russell*  
Division of Oil, Gas and Mining

Earlene Russell, Engineering Technician

(Instructions on Reverse Side)

**RECEIVED**

**SEP 26 2005**

DIV. OF OIL, GAS & MINING

# TRANSFER OF OPERATOR

## NATURAL BUTTES FIELD, UINTAH COUNTY, UTAH DRILLED WELLS, TO BE OPERATED BY ENDURING RESOURCES, LLC

| API Well Number | Well Name              | Well Status | Qtr/Qtr | Section | Township-Range | FNL/FSL | FEL/FWL | Latitude | Longitude  |
|-----------------|------------------------|-------------|---------|---------|----------------|---------|---------|----------|------------|
| 43047355550000  | Bonanza #10D-18        | SI          | NWSE    | 18      | 9S-24E         | 1437 S  | 1800 E  | 40.03340 | -109.25282 |
| 43047355510000  | Bonanza #12D-12        | Producing   | NWSW    | 12      | 9S-23E         | 1556 S  | 867 W   | 40.04788 | -109.28055 |
| 43047356930000  | Bonanza #2D-27         | Producing   | NWNE    | 27      | 9S-24E         | 1064 N  | 1824 E  | 40.01123 | -109.19600 |
| 43047359080000  | Bonanza 10-11          | Producing   | NWSE    | 11      | 9S-23E         | 1991 S  | 1755 E  | 40.04866 | -109.29035 |
| 43047356920000  | Bonanza 10D-8          | SI          | NWSE    | 8       | 9S-24E         | 1510 S  | 1768 E  | 40.04789 | -109.23383 |
| 43047355520000  | Bonanza 1-11           | Producing   | NWNW    | 11      | 9S-23E         | 990 N   | 990 E   | 40.05431 | -109.29891 |
| 43047359290000  | Bonanza 12-20          | Drig        | NWSW    | 20      | 9S-25E         | 1998 S  | 825 W   | 40.01947 | -109.13150 |
| 43047-359210000 | Bonanza 12A-18         | Producing   | NWSW    | 18      | 9S-24E         | 2067 S  | 813 W   | 40.03430 | -109.26242 |
| 43047359090000  | Bonanza 14-12          | Evaluating  | SESW    | 12      | 9S-23E         | 505 S   | 2001 W  | 40.04455 | -109.27693 |
| 43047359940000  | Bonanza 4-18           | WOPL        | NWNW    | 18      | 9S-24E         | 706 N   | 682 W   | 40.04119 | -109.26288 |
| 43047-356220000 | Bonanza 4D-16          | Producing   | NWNW    | 16      | 9S-24E         | 1152 N  | 1209 W  | 40.04000 | -109.22349 |
| 43047358600000  | Bonanza 6-36           | Producing   | SESW    | 36      | 9S-24E         | 2217 N  | 2009 W  | 39.99336 | -109.16393 |
| 43047359120000  | Bonanza 6B-8           | Producing   | SESW    | 8       | 9S-24E         | 2017 N  | 1878 W  | 40.05213 | -109.24004 |
| 43047359200000  | Bonanza 8D-7           | Producing   | SENE    | 7       | 9S-24E         | 1992 N  | 477 E   | 40.05220 | -109.24845 |
| 43047359050000  | Buck Canyon 15-24      | P&A         | SW/SE   | 24      | 12S-21E        | 700 S   | 2139 E  | 39.75386 | -109.5134  |
| 43047348150000  | Cartwright 2-35        | TA          | NWNE    | 35      | 9S-24E         | 858 N   | 2104 E  | 39.99733 | -109.17882 |
| 43047332510000  | East Bench 11-16       | WOC         | NESW    | 16      | 11S-22E        | S S     | 1980 W  | 39.85889 | -109.46172 |
| 43047347560000  | Hoss 15                | Producing   | SWSE    | 20      | 9S-25E         | 1291 S  | 2088 E  | 40.01767 | -109.12236 |
| 43047348140000  | Little Joe 11-7        | TA          | NENE    | 7       | 9S-25E         | 710 N   | 644 E   | 40.05562 | -109.13601 |
| 43047361500000  | Rainbow 14-17          | WOC         | SESW    | 17      | 11S-24E        | 780 S   | 1726 W  | 39.85689 | -109.25731 |
| 43047361840000  | Rainbow 2-16           | WOC         | NWNE    | 16      | 11S-24E        | 837 N   | 2136 E  | 39.86708 | -109.23348 |
| 43047353630000  | Southman Canyon 10D-36 | Producing   | NWSE    | 36      | 9S-23E         | 1757 S  | 1650 E  | 39.98991 | -109.27148 |
| 43047353640000  | Southman Canyon 12D-36 | Producing   | NWSW    | 36      | 9S-23E         | 1518 S  | 1069 W  | 39.98977 | -109.28040 |
| 43047357700000  | Southman Canyon 14C-36 | Producing   | SESW    | 36      | 9S-23E         | 648 S   | 1717 W  | 39.98689 | -109.27716 |
| 43047357720000  | Southman Canyon 16C-36 | Producing   | SESE    | 36      | 9S-23E         | 542 S   | 736 E   | 39.98607 | -109.26912 |
| 43047356910000  | Southman Canyon 2D-30  | Producing   | NWNE    | 30      | 9S-24E         | 1171 N  | 1502 E  | 40.01111 | -109.25269 |
| 43047353650000  | Southman Canyon 2D-36  | Producing   | NWNE    | 36      | 9S-23E         | 960 N   | 1751 E  | 39.99711 | -109.27228 |
| 43047353610000  | Southman Canyon 4D-36  | Producing   | NWNW    | 36      | 9S-23E         | 1163 N  | 1137 W  | 39.99623 | -109.28012 |
| 43047353620000  | Southman Canyon 6D-36  | Producing   | SESW    | 36      | 9S-23E         | 2466 N  | 2271 W  | 39.99336 | -109.27635 |
| 43047357710000  | Southman Canyon 8C-36  | Producing   | SENE    | 36      | 9S-23E         | 2185 N  | 694 E   | 39.99358 | -109.26783 |
| 43047355590000  | Thurston Federal #12-1 | Producing   | SESW    | 12      | 12S-21E        | 692 S   | 1959 W  | 39.78280 | -109.51768 |



# TRANSFER OF OPERATOR BLM APPROVED WELLS #2

**PREVIOUS OPERATOR:** Houston Exploration Company

**NEW OPERATOR:** Enduring Resources, LLC

**EFFECTIVE DATE:** September 1st, 2005

| Well Name                    | Q/Q              | Sec           | T              | R              | Lease Number         | Footages f/ Sec Lines - SL             | API Number              |
|------------------------------|------------------|---------------|----------------|----------------|----------------------|--|-------------------------|
| <del>Asphalt Wash 13-7</del> | <del>SW/SW</del> | <del>7</del>  | <del>11S</del> | <del>24E</del> | <del>UTU-73910</del> | <del>739' FSL &amp; 629' FWL</del>     | <del>43-047-36234</del> |
| Bonanza 16-18                | SE/SE            | 18            | 9S             | 24E            | UTU-73457            | 861' FSL & 715' FEL                    | 43-047-35992            |
| Bonanza 4-11                 | NW/NW            | 11            | 9S             | 23E            | UTU-74426            | 671' FNL & 729' FWL                    | 43-047-35968            |
| Bonanza 10D-12               | NW/SE            | 12            | 9S             | 23E            | UTU-74426            | 1,785' FSL & 1,855' FEL                | 43-047-35919            |
| Bonanza 12-11                | NW/SW            | 11            | 9S             | 23E            | UTU-74426            | 1748' FSL & 420' FWL                   | 43-047-35916            |
| Bonanza 14-18                | SE/SW            | 18            | 9S             | 24E            | UTU-73457            | 472' FSL & 2,010' FWL                  | 43-047-35993            |
| Bonanza 14A-8                | SE/SW            | 8             | 9S             | 24E            | UTU-73457            | 907' FSL & 2,298' FWL                  | 43-047-35952            |
| Bonanza 16A-27               | SE/SE            | 27            | 9S             | 24E            | UTU-80571            | 862' FSL & 581' FEL                    | 43-047-35923            |
| Bonanza 2-21                 | NW/NE            | 21            | 8S             | 25E            | UTU-73470            | 1,207' FNL & 1,541' FEL                | 43-047-35926            |
| Bonanza 3-8                  | NW/NW            | 8             | 9S             | 24E            | UTU-73457            | 573' FNL & 1,518' FWL                  | 43-047-35966            |
| Bonanza 6D-7                 | SE NW            | 7             | 9S             | 24E            | UTU-73457            | 2,310' FNL & 2,310' FWL                | 43-047-35690            |
| Bonanza 8-11                 | SE/NE            | 11            | 9S             | 23E            | UTU-74426            | 2,163 FNL & 615' FEL                   | 43-047-35907            |
| Bonanza 8B-27                | SE/NE            | 27            | 9S             | 24E            | UTU-80571            | 1,830' FNL & 735' FEL                  | 43-047-35923            |
| Buck Camp 4-25               | NW/NW            | 25            | 11S            | 22E            | UTU-74424            | 804 FNL & 695 FWL                      | 43-047-36276            |
| Buck Camp 4-26               | NW/NW            | 26            | 11S            | 22E            | UTU-74974            | 660' FNL & 660' FWL                    | 43-047-36274            |
| Buck Canyon 1-24             | NE/NE            | 24            | 12S            | 21E            | UTU-73440            | 488' FNL & 833' FEL                    | 43-047-35606            |
| <del>Buck Canyon 15-24</del> | <del>SW/SE</del> | <del>24</del> | <del>12S</del> | <del>21E</del> | <del>UTU-73440</del> | <del>700' FSL &amp; 2,139' FEL</del>   | <del>43-047-35905</del> |
| <del>Buck Canyon 7-24</del>  | <del>SW/NE</del> | <del>24</del> | <del>12S</del> | <del>21E</del> | <del>UTU-73440</del> | <del>2,041' FNL &amp; 2,171' FEL</del> | <del>43-047-35904</del> |
| <del>Buck Canyon 9-24</del>  | <del>NE/SE</del> | <del>24</del> | <del>12S</del> | <del>21E</del> | <del>UTU-73440</del> | <del>1784' FSL &amp; 855' FEL</del>    | <del>43-047-35903</del> |
| Rainbow 1-17                 | NE/NE            | 17            | 11S            | 24E            | UTU-73920            | 795' FNL & 586' FEL                    | 43-047-36151            |
| Southman Canyon #14-30       | SE/SW            | 30            | 9S             | 24E            | UTU-80571            | 740' FSL & 1,737' FWL                  | 43-047-35914            |
| Southman Canyon #4C-30       | NW/NW            | 30            | 9S             | 24E            | UTU-80571            | 676' FNL & 568' FWL                    | 43-047-35913            |
| Southman Canyon 12-30        | NW/SW            | 30            | 9S             | 24E            | UTU-80571            | 1,912' FSL & 513' FWL                  | 43-047-36104            |
| Southman Canyon 8-30         | SE/NE            | 30            | 9S             | 24E            | UTU-80571            | 1,875' FNL & 818' FEL                  | 43-047-35994            |
| Southman Canyon 9-30         | NE/SE            | 30            | 9S             | 24E            | UTU-80571            | 2,089' FSL & 831' FEL                  | 43-047-36019            |

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• 43047-35953

# TRANSFER OF OPERATOR STATE OF UTAH APPROVED AND PENDING

#3

PREVIOUS OPERATOR: Houston Exploration Company

NEW OPERATOR: Enduring Resources, LLC

EFFECTIVE DATE: September 1st, 2005

| Well Name                             | Q/Q             | Sec           | T              | R              | Lease Number        | Footages f/ Sec Lines - SL          | API Number              | FIELD                     | Well Type      |
|---------------------------------------|-----------------|---------------|----------------|----------------|---------------------|-------------------------------------|-------------------------|---------------------------|----------------|
| Asphalt Wash 11-16-11-24              | NESW            | 16            | 11S            | 24E            | ML-73921            | 2000 FSL & 1900 FWL                 | 43-047-37088            | Undesignated              | Gas            |
| Asphalt Wash 12-16-11-24              | NWSW            | 16            | 11S            | 24E            | ML-47080            | 2060 FSL & 839 FWL                  | 43-047-36873            | Undesignated              | Gas            |
| Asphalt Wash 14-16-11-24              | SESW            | 16            | 11S            | 24E            | ML-47080            | 537 FSL & 2140 FWL                  | 43-047-36876            | Undesignated              | Gas            |
| Asphalt Wash 3-16-11-24               | NENW            | 16            | 11S            | 24E            | ML-47080            | 825 FNL & 2116 FWL                  | 43-047-36886            | Undesignated              | Gas            |
| Asphalt Wash 4-16-11-24               | NWNW            | 16            | 11S            | 24E            | ML-47080            | 521 FNL & 766 FWL                   | 43-047-36885            | Undesignated              | Gas            |
| Asphalt Wash 5-16-11-24               | SWNW            | 16            | 11S            | 24E            | ML-47080            | 1880 FNL & 630 FWL                  | 43-047-37089            | Undesignated              | Gas            |
| Asphalt Wash 7-16-11-24               | SWNE            | 16            | 11S            | 24E            | ML-47080            | 1781 FNL & 1676 FEL                 | 43-047-36874            | Undesignated              | Gas            |
| Asphalt Wash 8-16-11-24               | SENE            | 16            | 11S            | 24E            | ML-47080            | 1905 FNL & 642 FEL                  | 43-047-36875            | Undesignated              | Gas            |
| Bonanza 14-20                         | SESW            | 20            | 9S             | 25E            | ML-45558            | 838' FSL & 1,922' FWL               | 43-047-35930            | Chapita Wells             | Gas            |
| Bonanza 4-20                          | NWNW            | 20            | 9S             | 25E            | ML-45558            | 933' FNL & 583 FWL                  | 43-047-35924            | Chapita Wells             | Gas            |
| Bonanza 4-29                          | NWNW            | 29            | 9S             | 25E            | ML-45559            | 600' FNL & 596' FWL                 | 43-047-36010            | Chapita Wells             | Gas            |
| Bonanza 4-36                          | NWNW            | 36            | 9S             | 24E            | ML-46527            | 258' FNL & 862' FWL                 | 43-047-35861            | Natural Buttes            | Gas            |
| Bonanza 6-20                          | SENW            | 20            | 9S             | 25E            | ML-45558            | 2,178' FNL & 1,839' FWL             | 43-047-35928            | Chapita Wells             | Gas            |
| <del>Buck Canyon 9-16-12-21</del>     | <del>NESE</del> | <del>16</del> | <del>12S</del> | <del>21E</del> | <del>ML-47085</del> | <del>1980' FSL &amp; 660' FEL</del> | <del>43-047-37091</del> | <del>Buck Canyon</del>    | <del>Gas</del> |
| Buck Canyon 11-16-12-21               | NESW            | 16            | 12S            | 21W            | ML-47085            | NA                                  | 43-047-37119            | Undesignated              | Gas            |
| Buck Canyon 13-16-21-21               | SWSW            | 16            | 21S            | 21W            | ML-47085            | NA                                  | 43-047-37118            | Undesignated              | Gas            |
| Buck Canyon 15-16-12-21               | SWSE            | 16            | 12S            | 21W            | ML-47085            | NA                                  | 43-047-37120            | Buck Canyon               | Gas            |
| East Bench 1-16                       | NENE            | 16            | 11S            | 22E            | ML-46911            | 660' FNL & 660' FEL                 | 43-047-36126            | Undesignated              | Gas            |
| East Bench 15-16                      | SWSE            | 16            | 11S            | 22E            | ML-46911            | 545' FSL & 1,848' FEL               | 43-047-36128            | Undesignated              | Gas            |
| East Bench 3-16                       | NENW            | 16            | 11S            | 22E            | ML-46911            | 832' FNL & 1,978' FWL               | 43-047-36125            | Undesignated              | Gas            |
| East Bench 7-16                       | SWNE            | 16            | 11S            | 22E            | ML-46911            | 1,909' FNL & 1,643' FEL             | 43-047-36127            | Undesignated              | Gas            |
| East Bench 12-16-11-22                | NWSW            | 16            | 11S            | 22E            | ML-46911            | 1862 FSL & 838 FEL                  | 43-047-37128            | Undesignated              | Gas            |
| East Bench 13-16-11-22                | SWSW            | 16            | 11S            | 22E            | ML-46911            | 880 FSL & 750 FWL                   | 43-047-37130            | Undesignated              | Gas            |
| East Bench 14-16-11-22                | SESW            | 16            | 11S            | 22E            | ML-46911            | 848 FSL & 1930 FWL                  | 43-047-37122            | Undesignated              | Gas            |
| East Bench 16-16-11-22                | SESE            | 16            | 11S            | 22E            | ML-46911            | 663 FSL & 1055 FEL                  | 43-047-37121            | Undesignated              | Gas            |
| East Bench 2-16-11-22                 | NWNE            | 16            | 11S            | 22E            | ML-46911            | 705 FNL & 2077 FEL                  | 43-047-37125            | Undesignated              | Gas            |
| East Bench 4-16-11-22                 | NWNW            | 16            | 11S            | 22E            | ML-46911            | 760 FNL & 860 FWL                   | 43-047-37126            | Undesignated              | Gas            |
| East Bench 5-16-11-22                 | SWNW            | 16            | 11S            | 22E            | ML-46911            | 1980 FNL & 758 FWL                  | 43-047-37129            | Undesignated              | Gas            |
| East Bench 6-16-11-22                 | SENW            | 16            | 11S            | 22E            | ML-46911            | 1887 FNL & 2138 FWL                 | 43-047-37124            | Undesignated              | Gas            |
| East Bench 8-16-11-22                 | SENE            | 16            | 11S            | 22E            | ML-46911            | 1880 FNL & 780 FEL                  | 43-047-37127            | Undesignated              | Gas            |
| East Bench 9-16-11-22                 | NESE            | 16            | 11S            | 22E            | ML-46911            | 2035 FSL & 1422 FEL                 | 43-047-37123            | Undesignated              | Gas            |
| <del>Gusher 6-2</del>                 | <del>SENW</del> | <del>2</del>  | <del>6S</del>  | <del>19E</del> | <del>ML-49144</del> | <del>1550 FNL &amp; 1025 FWL</del>  | <del>43-047-36963</del> | <del>Moffit Canal</del>   | <del>Oil</del> |
| Hanging Rock 1-32                     | NENE            | 32            | 11S            | 23E            | ML-47079            | 542' FNL & 690' FEL                 | 43-047-36309            | Undesignated              | Gas            |
| Little Pack Mountain 1-16             | NWNW            | 16            | 12S            | 20E            | ML-47082            | 609 FNL & 688 FEL                   | 43-047-36981            | Wildcat                   | Gas            |
| Little Pack Mountain 7-32             | SWNE            | 32            | 12S            | 20E            | ML-47083            | 1792 FNL & 1797 FEL                 | 43-047-36980            | Wildcat                   | Gas            |
| Rock House 12-36-10-23                | NWSW            | 36            | 10S            | 23E            | ML-47907            | 1844 FSL & 755 FWL                  | 43-047-36534            | Natural Buttes            | Gas            |
| Rock House 13-32-10-23                | SWSW            | 32            | 10S            | 23E            | ML-47063            | 564 FSL & 471 FWL                   | 43-047-36411            | Natural Buttes            | Gas            |
| Rock House 1-36-10-22                 | NENE            | 36            | 10S            | 22E            | ML-47061            | 620 FNL & 850 FEL                   | 43-047-36408            | Natural Buttes            | Gas            |
| Rock House 3-36-10-22                 | NENW            | 36            | 10S            | 22E            | ML-47061            | 934 FNL & 1783 FWL                  | 43-047-36407            | Natural Buttes            | Gas            |
| Rock House 4-32-10-23                 | SWNW            | 32            | 10S            | 23E            | ML-47063            | 1406 FNL & 562 FWL                  | 43-047-36412            | Natural Buttes            | Gas            |
| Rock House 7-36-10-22                 | SWNE            | 36            | 10S            | 22E            | ML-47061            | 2209 FNL & 2445 FEL                 | 43-047-36409            | Natural Buttes            | Gas            |
| <del>Rock House 9-32-10-23</del>      | <del>NESE</del> | <del>32</del> | <del>10S</del> | <del>23E</del> | <del>ML-47063</del> | <del>2008 FSL &amp; 1042 FEL</del>  | <del>43-047-36327</del> | <del>Natural Buttes</del> | <del>Gas</del> |
| Rockhouse #13-36                      | SWSW            | 36            | 10S            | 22E            | ML-46907            | 486 FSL & 844' FWL                  | 43-047-35902            | Natural Buttes            | Gas            |
| Rockhouse 16-2                        | SESE            | 2             | 11S            | 23E            | ML-47078            | 909' FSL & 748' FEL                 | 43-047-36152            | Rockhouse                 | Gas            |
| Seep Springs 10-13-12-24              | NWSE            | 13            | 12S            | 24E            | ML-49275            | 1950 FSL & 1802 FEL                 | 43-047-36634            | Undesignated              | Gas            |
| Seep Springs 1-13-12-24               | NENE            | 13            | 12S            | 24E            | ML-49275            | 753 FNL & 487 FEL                   | 43-047-36628            | Undesignated              | Gas            |
| Seep Springs 15-11-12-24              | SWSE            | 11            | 12S            | 24E            | ML-49274            | 829 FSL & 2178 FEL                  | 43-047-36626            | Undesignated              | Gas            |
| Seep Springs 15-13-12-24              | SWSE            | 13            | 12S            | 24E            | ML-49275            | 622 FSL & 1806 FEL                  | 43-047-36630            | Undesignated              | Gas            |
| Seep Springs 16-11-12-24              | SESE            | 11            | 12S            | 24E            | ML-49274            | 659 FSL & 466 FEL                   | 43-047-36625            | Undesignated              | Gas            |
| Seep Springs 16-13-12-24              | SESE            | 13            | 12S            | 24E            | ML-49275            | 686 FSL & 640 FEL                   | 43-047-36629            | Undesignated              | Gas            |
| Seep Springs 2-13-12-24               | NWNE            | 13            | 12S            | 24E            | ML-49275            | 465 FNL & 1807 FEL                  | 43-047-36627            | Undesignated              | Gas            |
| Seep Springs 7-13-12-24               | SWNE            | 13            | 12S            | 24E            | ML-49275            | FNL & FEL                           | 43-047-36631            | Undesignated              | Gas            |
| Seep Springs 8-13-12-24               | SENE            | 13            | 12S            | 24E            | ML-49275            | 1969 FNL & 642 FEL                  | 43-047-36632            | Undesignated              | Gas            |
| Seep Springs 9-13-12-24               | NESE            | 13            | 12S            | 24E            | ML-49275            | 663 FSL & 1960 FEL                  | 43-047-36633            | Undesignated              | Gas            |
| <del>Southman Canyon 11-36-9-23</del> | <del>NESW</del> | <del>36</del> | <del>9S</del>  | <del>23E</del> | <del>ML-47782</del> | <del>1965 FSL &amp; 1953 FWL</del>  | <del>43-047-36535</del> | <del>Natural Buttes</del> | <del>Gas</del> |
| <del>Southman Canyon 13-36-9-23</del> | <del>SWSW</del> | <del>36</del> | <del>9S</del>  | <del>23E</del> | <del>ML-47782</del> | <del>467 FSL &amp; 823 FWL</del>    | <del>43-047-36632</del> | <del>Natural Buttes</del> | <del>Gas</del> |

# TRANSFER OF OPERATOR STATE OF UTAH APPROVED AND PENDING

**PREVIOUS OPERATOR:** Houston Exploration Company

**NEW OPERATOR:** Enduring Resources, LLC

**EFFECTIVE DATE:** September 1st, 2005

| Well Name                  | Q/Q  | Sec | T  | R   | Lease Number | Footages f/ Sec Lines - SL | API Number   | FIELD          | Well Type |
|----------------------------|------|-----|----|-----|--------------|----------------------------|--------------|----------------|-----------|
| Southman Canyon 1-36-9-23  | NENE | 36  | 9S | 23E | ML-47782     | 681 FNL & 496 FEL          | 43-047-36537 | Natural Buttes | Gas       |
| Southman Canyon 15-36-9-23 | SWSE | 36  | 9S | 23E | ML-47782     | 529 FSL & 1784 FEL         | 43-047-36529 | Natural Buttes | Gas       |
| Southman Canyon 3-36-9-23  | NENW | 36  | 9S | 23E | ML-47782     | 464 FNL & 1815 FWL         | 43-047-36530 | Natural Buttes | Gas       |
| Southman Canyon 5-36-9-23  | SWNW | 36  | 9S | 23E | ML-47782     | 2028 FNL & 499 FWL         | 43-047-36531 | Natural Buttes | Gas       |
| Southman Canyon 7-36-9-23  | SENE | 36  | 9S | 23E | ML-47782     | 2184 FNL & 1994 FEL        | 43-047-36536 | Natural Buttes | Gas       |
| Southman Canyon 9-36-9-23  | NESE | 36  | 9S | 23E | ML-47782     | 1978 FNL & 657 FEL         | 43-047-36533 | Natural Buttes | Gas       |

# TRANSFER OF OPERATOR BLM PENDING WELLS

**PREVIOUS OPERATOR:** Houston Exploration Company

**NEW OPERATOR:** Enduring Resources, LLC

**EFFECTIVE DATE:** September 1st, 2005

| Well Name                    | Q/Q              | Sec          | T              | R              | Lease Number         | Footages f/ Sec Lines - SL         | API Number   |
|------------------------------|------------------|--------------|----------------|----------------|----------------------|------------------------------------|--------------|
| <del>Asphalt Wash 13-6</del> | <del>SW/SW</del> | <del>6</del> | <del>11S</del> | <del>24E</del> | <del>UTU-73919</del> | <del>400' FSL &amp; 550' FWL</del> |              |
| Asphalt Wash 10-9-11-24      | NW SE            | 9            | 11S            | 24E            | UTU-73920            | 1846 FSL & 1942 FEL                | 43-047-37071 |
| Asphalt Wash 11-9-11-24      | NE SW            | 9            | 11S            | 24E            | UTU-73920            | 1799 FSL & 1782 FWL                | 43-047-37073 |
| Asphalt Wash 12-6-11-24      | NW SW            | 6            | 11S            | 24E            | UTU-73919            | 1844 FSL & 683 FWL                 | 43-047-37066 |
| Asphalt Wash 14-6-11-24      | SE SW            | 6            | 11S            | 24E            | UTU-73919            | 704 FSL & 2123 FWL                 | 43-047-37067 |
| Asphalt Wash 14-9-11-24      | SE SW            | 9            | 11S            | 24E            | UTU-73920            | 460 FSL & 2115 FWL                 | 43-047-37076 |
| Asphalt Wash 15-9-11-24      | SW SE            | 9            | 11S            | 24E            | UTU-73920            | 804 FSL & 1990 FEL                 | 43-047-37074 |
| Asphalt Wash 16-9-11-24      | SE SE            | 9            | 11S            | 24E            | UTU-73920            | 826 FSL & 472 FEL                  | 43-047-37075 |
| Asphalt Wash 2-6-11-24       | NW NE            | 6            | 11S            | 24E            | UTU-73919            | 735 FNL & 1590 FEL                 | 43-047-37061 |
| Asphalt Wash 2-7-11-24       | NW NE            | 7            | 11S            | 24E            | UTU-73919            | 621 FNL & 2462 FEL                 | 43-047-37068 |
| Asphalt Wash 2-9-11-24       | NW NE            | 9            | 11S            | 24E            | UTU-73920            | 829 FNL & 1774 FEL                 | 43-047-37070 |
| Asphalt Wash 3-6-11-24       | NE NW            | 6            | 11S            | 24E            | UTU-73919            | 792 FNL & 1925 FWL                 | 43-047-37062 |
| Asphalt Wash 4-6-11-24       | NW NW            | 6            | 11S            | 24E            | UTU-73919            | 820 FNL & 1007 FWL                 | 43-047-37063 |
| Asphalt Wash 5-6-11-24       | SW NW            | 6            | 11S            | 24E            | UTU-73919            | 1738 FNL & 716 FWL                 | 43-047-37064 |
| Asphalt Wash 6-7-11-24       | SE NW            | 7            | 11S            | 24E            | UTU-73919            | 2013 FNL & 2241 FWL                | 43-047-37069 |
| Asphalt Wash 7-6-11-24       | SW NE            | 6            | 11S            | 24E            | UTU-73919            | 1616 FNL & 1615 FEL                | 43-047-37065 |
| Asphalt Wash 7-9-11-24       | SE NE            | 9            | 11S            | 24E            | UTU-73920            | 1883 FNL & 1854 FEL                | 43-047-37072 |
| Asphalt Wash 1-7-11-24       | NE NE            | 7            | 11S            | 24E            | UTU-73919            | 426 FNL & 270 FEL                  | 43-047-37084 |
| Asphalt Wash 4-7-11-24       | NW NW            | 7            | 11S            | 24E            | UTU-73919            | 856 FNL & 860 FWL                  | 43-047-37085 |
| Asphalt Wash 7-7-11-24       | SW NE            | 7            | 11S            | 24E            | UTU-73919            | 1909 FNL & 1893 FEL                | 43-047-37087 |
| Asphalt Wash 8-7-11-24       | SE NE            | 7            | 11S            | 24E            | UTU-73919            | 1998 FNL & 683 FEL                 | 43-047-37086 |
| Bonanza 4-7                  | NW/NW            | 7            | 9S             | 24E            | UTU-73457            | 809' FNL & 670' FWL                | 43-047-36017 |
| Bonanza 8-17                 | SW/NE            | 17           | 9S             | 24E            | UTU-73457            | 1865' FNL & 584' FEL               | 43-047-36041 |
| Bonanza 11-11-9-23           | NE SW            | 11           | 9S             | 23E            | UTU-74426            | 2036 FSL & 2043 FWL                | 43-047-36649 |
| Bonanza 11-12-9-23           | NE SW            | 12           | 9S             | 23E            | UTU-74426            | 1799 FSL & 1948 FWL                | 43-047-36655 |
| Bonanza 11-18-9-24           | NE SW            | 18           | 9S             | 24E            | UTU-73457            | 1785 FSL & 2133 FWL                | 43-047-36637 |
| Bonanza 12-23-9-24           | NW/SW            | 23           | 9S             | 24E            | UTU-81311            | 1882 FSL & 699 FWL                 | 43-047-36640 |
| Bonanza 12-35                | NW/SW            | 35           | 9S             | 24E            | UTU 73459            | 1374' FSL & 858' FWL               | 43-047-36020 |
| Bonanza 13-11-9-23           | SW SW            | 11           | 9S             | 23E            | UTU-74426            | 463 FSL & 773 FWL                  | 43-047-36650 |
| Bonanza 13-12-9-23           | SW SW            | 12           | 9S             | 23E            | UTU-74426            | 661 FSL & 656 FWL                  | 43-047-36528 |
| Bonanza 13-18-9-24           | SW SW            | 18           | 9S             | 24E            | UTU-73457            | 767 FSL & 583 FWL                  | 43-047-36638 |
| Bonanza 14-11-9-23           | SE SW            | 11           | 9S             | 23E            | UTU-74426            | 756 FSL & 1859 FWL                 | 43-047-36651 |
| Bonanza 14-23-9-24           | SE/SW            | 23           | 9S             | 24E            | UTU-81311            | 560 FSL & 1878 FWL                 | 43-047-36641 |
| Bonanza 15-11-9-23           | SW SE            | 11           | 9S             | 23E            | UTU-74426            | 660 FSL & 1980 FEL                 | 43-047-36652 |
| Bonanza 15-12-9-23           | SW SE            | 12           | 9S             | 23E            | UTU-74426            | 607 FSL & 1920 FEL                 | 43-047-36656 |
| Bonanza 15-18-9-24           | SW SE            | 18           | 9S             | 24E'           | UTU-73457            | 463 FSL & 2162 FEL                 | 43-047-36639 |
| Bonanza 16-12-9-23           | SE SE            | 12           | 9S             | 23E            | UTU-74426            | 855 FSL & 536 FEL                  | 43-047-36657 |
| Bonanza 16-8                 | SE/SE            | 8            | 9S             | 24E            | UTU-73457            | 588' FSL & 524' FEL                | 43-047-36101 |
| Bonanza 2-11-9-23            | NW NE            | 11           | 9S             | 23E            | UTU 74426            | 664 FNL & 1925 FEL                 | 43-047-36643 |
| Bonanza 2-12-9-23            | NW NE            | 12           | 9S             | 23E            | UTU-74426            | 743 FNL & 1962 FEL                 | 43-047-36527 |
| Bonanza 3-11-9-23            | NE NW            | 11           | 9S             | 23E            | UTU 74426            | 499 FNL & 1898 FWL                 | 43-047-36644 |
| Bonanza 3-12-9-23            | NE NW            | 12           | 9S             | 23E            | UTU-74426            | 734 FNL & 1866 FWL                 | 43-047-36524 |
| Bonanza 4-35                 | NW/NW            | 35           | 9S             | 24E            | UTU 73459            | 789' FNL & 807' FWL                | 43-047-35925 |
| Bonanza 5-11-9-23            | SW NW            | 11           | 9S             | 23E            | UTU 74426            | 1794 FNL & 609 FWL                 | 43-047-36645 |

# TRANSFER OF OPERATOR BLM PENDING WELLS

**PREVIOUS OPERATOR:** Houston Exploration Company

**NEW OPERATOR:** Enduring Resources, LLC

**EFFECTIVE DATE:** September 1st, 2005

| Well Name                   | Q/Q              | Sec           | T              | R              | Lease Number         | Footages f/ Sec Lines - SL           | API Number                |
|-----------------------------|------------------|---------------|----------------|----------------|----------------------|--------------------------------------|---------------------------|
| Bonanza 5-12-9-23           | SW NW            | 12            | 9S             | 23E            | UTU-74426            | 1996 FNL & 558 FWL                   | 43-047-36526              |
| Bonanza 5-18-9-24           | SW NW            | 18            | 9S             | 24E            | UTU-73457            | 2147 FNL & 662 FWL                   | 43-047-36635              |
| Bonanza 5-22                | SW/NW            | 22            | 8S             | 25E            | UTU-73470            | 1,932' FNL & 415' FWL                | 43-047-35918              |
| Bonanza 5-24-9-24           | SW/NW            | 24            | 9S             | 24E            | UTU-73458            | 2167 FNL & 714 FWL                   | 43-047-36642              |
| Bonanza 6-11-9-23           | SE NW            | 11            | 9S             | 23E            | UTU-74426            | 2069 FNL & 1801 FWL                  | 43-047-36646              |
| Bonanza 6-12-9-23           | SE NW            | 12            | 9S             | 23E            | UTU-74426            | 2114 FNL & 1871 FWL                  | 43-047-36525              |
| Bonanza 7-11-9-23           | SW NE            | 11            | 9S             | 23E            | UTU-74426            | 2060 FNL & 2134 FEL                  | 43-047-36647              |
| Bonanza 7-12-9-23           | SW NE            | 12            | 9S             | 23E            | UTU-74426            | 2065 FNL & 2159 FEL                  | 43-047-36653              |
| Bonanza 8-35                | SENE             | 35            | 9S             | 24E            | UTU-73459            | 1987' FNL & 909' FEL                 | 43-047-36105              |
| Bonanza 9-11-9-23           | NE SE            | 11            | 9S             | 23E            | UTU-74426            | 2008 FSL & 553 FEL                   | 43-047-36648              |
| Bonanza 9-12-9-23           | NE SE            | 12            | 9S             | 23E            | UTU-74426            | 1980 FSL & 660 FEL                   | 43-047-36654              |
| Bonanza 9-18-9-24           | NE SE            | 18            | 9S             | 24E            | UTU-73457            | 2009 FSL & 852 FEL                   | 43-047-36636              |
| Bonanza 9-22                | NE/SE            | 22            | 9S             | 24E            | UTU-75118            | 1,969' FSL & 495' FEL                | 43-047-36102              |
| East Bench 9-20             | NE/SE            | 20            | 11S            | 22E            | UTU-73905            | 2,170' FSL & 472' FEL                | 43-047-36275              |
| Rock House 12-30-10-23      | NE SW            | 30            | 10S            | 23E            | UTU-76281            | 2320 FSL & 1980 FWL                  | 43-047-36548              |
| Rock House 12-31-10-23      | NW SW            | 31            | 10S            | 23E            | UTU-76281            | 1900 FSL & 460 FWL                   | 43-047-36552              |
| Rock House 13-30-10-23      | SW SW            | 30            | 10S            | 23E            | UTU-76281            | 553 FSL & 573 FWL                    | 43-047-36549              |
| Rock House 14-31-10-23      | SE SW            | 31            | 10S            | 23E            | UTU-76281            | 860 FSL & 1890 FWL                   | 43-047-36553              |
| Rock House 3-31-10-23       | NE NW            | 31            | 10S            | 23E            | UTU-76281            | 854 FNL & 1940 FWL                   | 43-047-36551              |
| Rock House 5-30-10-23       | SW NW            | 30            | 10S            | 23E            | UTU-76281            | 1858 FNL & 703 FWL                   | 43-047-36547              |
| Rock House 5-31-10-23       | SW NW            | 31            | 10S            | 23E            | UTU-76281            | 2055 FNL & 2097 FWL                  | 43-047-36550              |
| Rock House 6-31-10-23       | SE NW            | 31            | 10S            | 23E            | UTU-76281            | 2059 FNL & 2111 FWL                  | 43-047-36554              |
| <del>Rockhouse #12-30</del> | <del>NW/SW</del> | <del>30</del> | <del>10S</del> | <del>23E</del> | <del>UTU-80571</del> | <del>1,980' FSL &amp; 660' FWL</del> | <del>43-047-36018</del> X |
| Rockhouse 13C-31            | SW/SW            | 31            | 10S            | 23E            | UTU-76281            | 135' FSL & 365' FWL                  | 43-047-35911              |
| Rockhouse 4D-30             | NW NW            | 30            | 10S            | 23E            | UTU-76281            | 1,116 FNL & 1,135' FWL               | 43-047-35882              |
| Rockhouse 4D-31             | NW NW            | 31            | 10S            | 23E            | UTU-76281            | 990' FNL & 990' FWL                  | 43-047-35807              |
| Southman Canyon 12-3-11-24  | NW/SW            | 3             | 11S            | 24E            | UTU-73918            | 1,950' FSL & 514' FWL                | 43-047-36272              |
| Southman Canyon 12-30-10-24 | NW/SW            | 30            | 10S            | 24E            | UTU-65371            | 2,118' FSL & 502' FWL                | 43-047-36238              |
| Southman Canyon 13-30       | SW/SW            | 30            | 9S             | 24E            | UTU-80571            | 765' FSL & 303' FWL                  | 43-047-36018              |
| Southman Canyon 16-31-10-24 | SE/SE            | 31            | 10S            | 24E            | UTU-65371            | 621' FSL & 575' FEL                  | 43-047-36270              |
| Southman Canyon 4-30-10-24  | NW/NW            | 30            | 10S            | 24E            | UTU 65371            | 649' FNL & 607' FWL                  | 43-047-36237              |
| Southman Canyon 5-19-10-24  | SW/NW            | 19            | 10S            | 24E            | UTU-65371            | 1,978' FNL & 855' FWL                | 43-047-36236              |
| Southman Canyon 6-30        | SE/NW            | 30            | 9S             | 24E            | UTU-80571            | 2,015' FNL & 2,581' FWL              | 43-047-36103              |

X Duplicate API -  
Different well name

## OPERATOR CHANGE WORKSHEET

## ROUTING

1. DJJ

2. CDW

## X Change of Operator (Well Sold)

Designation of Agent/Operator

Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective:

9/1/2005

**FROM: (Old Operator):**

N2525-The Houston Exploration Company  
1100 Louisiana, Suite 2000  
Houston, TX 77002

Phone: 1-(713) 830-6938

**TO: ( New Operator):**

N2750-Enduring Resources, LLC  
475 17th Street, Suite 1500  
Denver, CO 80202

Phone: 1-(303) 350-5102

CA No.

Unit:

**WELL(S)**

| NAME               | SEC | TWN  | RNG  | API NO     | ENTITY NO | LEASE TYPE | WELL TYPE | WELL STATUS |   |
|--------------------|-----|------|------|------------|-----------|------------|-----------|-------------|---|
| BONANZA 5-22       | 22  | 080S | 250E | 4304735918 |           | Federal    | GW        | APD         | C |
| BONANZA 1-11       | 11  | 090S | 230E | 4304735552 | 14187     | Federal    | GW        | P           |   |
| BONANZA 8-11       | 11  | 090S | 230E | 4304735907 |           | Federal    | GW        | APD         |   |
| BONANZA 10-11      | 11  | 090S | 230E | 4304735908 | 14594     | Federal    | GW        | P           | C |
| BONANZA 12-11      | 11  | 090S | 230E | 4304735916 |           | Federal    | GW        | APD         |   |
| BONANZA 12D-12     | 12  | 090S | 230E | 4304735551 | 14192     | Federal    | GW        | P           |   |
| BONANZA 14-12      | 12  | 090S | 230E | 4304735909 | 14584     | Federal    | GW        | DRL         |   |
| BONANZA 10D-12     | 12  | 090S | 230E | 4304735919 |           | Federal    | GW        | APD         |   |
| BONANZA 6D-7       | 07  | 090S | 240E | 4304735690 |           | Federal    | GW        | NEW         |   |
| BONANZA 10D-8      | 08  | 090S | 240E | 4304735692 | 14257     | Federal    | GW        | S           | C |
| BONANZA 6B-8       | 08  | 090S | 240E | 4304735912 | 14564     | Federal    | GW        | P           | C |
| BONANZA 10D-18     | 18  | 090S | 240E | 4304735550 | 14191     | Federal    | GW        | P           |   |
| BONANZA 2D-27      | 27  | 090S | 240E | 4304735693 | 14210     | Federal    | GW        | S           |   |
| SOUTHMAN CYN 2D-30 | 30  | 090S | 240E | 4304735691 | 14282     | Federal    | GW        | P           | C |
| SOUTHMAN CYN 4-30  | 30  | 090S | 240E | 4304735913 |           | Federal    | GW        | APD         |   |
| SOUTHMAN CYN 14-30 | 30  | 090S | 240E | 4304735914 |           | Federal    | GW        | APD         |   |
| ROCK HOUSE 4D-30   | 30  | 100S | 230E | 4304735882 |           | Federal    | GW        | NEW         |   |
| ROCK HOUSE 4D-31   | 31  | 100S | 230E | 4304735807 |           | Federal    | GW        | APD         |   |
| ROCK HOUSE 13-31   | 31  | 100S | 230E | 4304735911 |           | Federal    | GW        | APD         |   |
| THURSTON FED 12-1  | 12  | 120S | 210E | 4304735559 | 14420     | Federal    | GW        | P           | C |
| BUCK CANYON 15-24  | 24  | 120S | 210E | 4304735905 | 14430     | Federal    | D         | PA          | C |
| BUCK CANYON 1-24   | 24  | 120S | 210E | 4304735906 |           | Federal    | GW        | APD         |   |

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 9/26/20052. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 9/26/20053. The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 9/29/2005

4. Is the new operator registered in the State of Utah: YES Business Number: 5771233-0161

5. If NO, the operator was contacted on:

6a. (R649-9-2)Waste Management Plan has been received on: Requested 9/29/05

6b. Inspections of LA PA state/fee well sites complete on: n/a

6c. Reports current for Production/Disposition & Sundries on: 9/29/2005

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM not yet BIA n/a

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: \_\_\_\_\_ not yet

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: n/a

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

**DATA ENTRY:**

1. Changes entered in the Oil and Gas Database on: 9/29/2005
2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 9/29/2005
3. Bond information entered in RBDMS on: n/a
4. Fee/State wells attached to bond in RBDMS on: n/a
5. Injection Projects to new operator in RBDMS on: n/a
6. Receipt of Acceptance of Drilling Procedures for APD/New on: 9/26/2005

**FEDERAL WELL(S) BOND VERIFICATION:**

1. Federal well(s) covered by Bond Number: UTB000173

**INDIAN WELL(S) BOND VERIFICATION:**

1. Indian well(s) covered by Bond Number: n/a

**FEE & STATE WELL(S) BOND VERIFICATION:**

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0008031

2. The **FORMER** operator has requested a release of liability from their bond on: n/a  
The Division sent response by letter on: \_\_\_\_\_

**LEASE INTEREST OWNER NOTIFICATION:**

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

**COMMENTS:**



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410

<http://www.blm.gov/utah/vernal>



IN REPLY REFER TO:

3162.3

UT08300

October 27, 2005

Al Arlian  
Enduring Resources, LLC  
475 17<sup>th</sup> Street, Suite 1500  
Denver, Colorado 80202

CONFIDENTIAL

43-047-35559  
Re: Thurston Federal 12-1  
SESW, Sec. 12, T12S, R21E  
Uintah County, Utah  
Lease No. U-73017

Dear Mr. Arlian:

This correspondence is in regard to the self-certification statement submitted requesting a change in operator for the referenced well. After a review by this office, the change in operator request is approved. Effective immediately, Enduring Resources, LLC is responsible for all operations performed on the referenced well. All liability will now fall under your bond, BLM Bond No. UTB000173, for all operations conducted on the referenced well on the leased land.

If you have any other questions concerning this matter, please contact Leslie Wilcken of this office at (435) 781-4497.

Sincerely,

Matt Baker  
Petroleum Engineer

cc: UDOGM  
The Houston Expl. Co.  
Dominion Expl. & Prod., Inc.

RECEIVED

NOV 02 2005

DIV. OF OIL, GAS & MINING

CONFIDENTIAL J



STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

|   |  |  |
|---|--|--|
| 1. TYPE OF WELL<br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____                                   |  | 5. LEASE DESIGNATION AND SERIAL NUMBER:<br>UTU-73017 |
| 2. NAME OF OPERATOR:<br>Enduring Resources, LLC   |  | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME:<br>N/A         |
| 3. ADDRESS OF OPERATOR:<br>475 17th Street, Ste 1500 CITY Denver STATE Co ZIP 80202   |  | 7. UNIT or CA AGREEMENT NAME:<br>N/A                 |
| 4. LOCATION OF WELL<br>FOOTAGES AT SURFACE: 692' FSL-1959' FWL S.L.B. & M.<br>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 12 12S 21 24E S |  | 8. WELL NAME and NUMBER:<br>Thurston Fed 12-21-24-12 |
| PHONE NUMBER:<br>(303) 350-5114   |  | 9. API NUMBER:<br>4304735559                         |
|   |  | 10. FIELD AND POOL, OR WILDCAT:<br>Undesignated      |
|   |  | COUNTY: Uintah                                       |
|   |  | STATE: UTAH  |


| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA   |   |   |  |
|---|---|---|--|
| TYPE OF SUBMISSION  | TYPE OF ACTION  |   |  |
| <input type="checkbox"/> NOTICE OF INTENT<br>(Submit in Duplicate)<br>Approximate date work will start:<br>_____              | <input type="checkbox"/> ACIDIZE                        | <input type="checkbox"/> DEEPEN                           | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
|   | <input type="checkbox"/> ALTER CASING                   | <input type="checkbox"/> FRACTURE TREAT                   | <input type="checkbox"/> SIDETRACK TO REPAIR WELL      |
|   | <input type="checkbox"/> CASING REPAIR                  | <input type="checkbox"/> NEW CONSTRUCTION                 | <input type="checkbox"/> TEMPORARILY ABANDON           |
|   | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS       | <input type="checkbox"/> OPERATOR CHANGE                  | <input type="checkbox"/> TUBING REPAIR                 |
|   | <input type="checkbox"/> CHANGE TUBING                  | <input type="checkbox"/> PLUG AND ABANDON                 | <input type="checkbox"/> VENT OR FLARE                 |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT<br>(Submit Original Form Only)<br>Date of work completion:<br>7/21/2008 | <input type="checkbox"/> CHANGE WELL NAME               | <input type="checkbox"/> PLUG BACK                        | <input type="checkbox"/> WATER DISPOSAL                |
|   | <input type="checkbox"/> CHANGE WELL STATUS             | <input type="checkbox"/> PRODUCTION (START/RESUME)        | <input type="checkbox"/> WATER SHUT-OFF                |
|   | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE         | <input checked="" type="checkbox"/> OTHER: Pit Closure |
|   | <input type="checkbox"/> CONVERT WELL TYPE              | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | Completed.   |

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

7-21-2008

Completed backfilling drilling pits.

Accepted by the  
Utah Division of  
Oil, Gas and Mining  
FOR RECORD ONLY

|   |                                       |
|---|---------------------------------------|
| NAME (PLEASE PRINT) Alvin R. (Al) Arlian  | TITLE Landman - Regulatory Specialist |
| SIGNATURE  | DATE 7/21/2008                        |

(This space for State use only)

RECEIVED  
JUL 25 2008  
DIV. OF OIL, GAS & MINING

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER \_\_\_\_\_

2. NAME OF OPERATOR:  
Enduring Resources, LLC

3. ADDRESS OF OPERATOR:  
475 17th Street, STE 1500 CITY Denver STATE Co ZIP 80202

PHONE NUMBER:  
(303) 350-5114

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 692' FSL & 1959' FWL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 12 12S R21 E

STATE: UTAH

5. LEASE DESIGNATION AND SERIAL NUMBER:  
UTU-73017

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:  
N/A

7. UNIT or CA AGREEMENT NAME:  
N/A

8. WELL NAME and NUMBER:  
Thurston Federal 12-21-24-12

9. API NUMBER:  
4304735559

10. FIELD AND POOL, OR WILDCAT:  
Wildcat

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION   | TYPE OF ACTION  |   |   |
|--|---|---|---|
| <input checked="" type="checkbox"/> NOTICE OF INTENT<br>(Submit in Duplicate)<br>Approximate date work will start: _____ | <input type="checkbox"/> ACIDIZE                        | <input type="checkbox"/> DEEPEN                           | <input type="checkbox"/> REPERFORATE CURRENT FORMATION    |
|  | <input type="checkbox"/> ALTER CASING                   | <input type="checkbox"/> FRACTURE TREAT                   | <input type="checkbox"/> SIDETRACK TO REPAIR WELL         |
|  | <input type="checkbox"/> CASING REPAIR                  | <input type="checkbox"/> NEW CONSTRUCTION                 | <input type="checkbox"/> TEMPORARILY ABANDON              |
|  | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS       | <input type="checkbox"/> OPERATOR CHANGE                  | <input type="checkbox"/> TUBING REPAIR                    |
|  | <input type="checkbox"/> CHANGE TUBING                  | <input type="checkbox"/> PLUG AND ABANDON                 | <input type="checkbox"/> VENT OR FLARE                    |
| <input type="checkbox"/> SUBSEQUENT REPORT<br>(Submit Original Form Only)<br>Date of work completion: _____              | <input type="checkbox"/> CHANGE WELL NAME               | <input type="checkbox"/> PLUG BACK                        | <input type="checkbox"/> WATER DISPOSAL                   |
|  | <input type="checkbox"/> CHANGE WELL STATUS             | <input type="checkbox"/> PRODUCTION (START/RESUME)        | <input type="checkbox"/> WATER SHUT-OFF                   |
|  | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE         | <input checked="" type="checkbox"/> OTHER: Wildcat Status |
|  | <input type="checkbox"/> CONVERT WELL TYPE              | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION |   |

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Enduring resources, LLC respectfully requests based on the attached data that this well's field be confirmed as "Wildcat".

NAME (PLEASE PRINT) Alvin R. (Al) Arlian

TITLE Landman - Regulatory Specialist

SIGNATURE

DATE 9/23/2008

(This space for State use only) APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING

DATE: 10/15/08

BY: [Signature] (See Instructions on Reverse Side)

\* See Attached Statement of Basis  
CC - Tax Commission (emailed)

RECEIVED

SEP 29 2008

DIV. OF OIL, GAS & MINING

DIVISION OF OIL, GAS AND MINING  
**Wildcat Well Determination**  
**STATEMENT OF BASIS**

**Applicant:** Enduring Resources, LLC.

**Location:** SESW Sec 12 T12S R21E, Uintah County, Utah

**WELL NAME:** Thurston Federal 12-21-24-12 **API #:** 43-047-35559

**FINDINGS**

1. This well was completed on May 6, 2005 in the Wasatch and Mesa Verde formations.
2. This well was < 1 mile from any known production in the Wasatch formation and > 1 mile from any known production in the Mesa Verde formation. The Wasatch formation is completed from 5206-5214, while the overall majority of the well is completed in the Mesa Verde formation.
3. This well is approximately 2884' from the Government 1-13 that produced from the Wasatch formation in September of 1962.
4. The Wildcat Tax Credit application was received 3+ years after completion of the Thurston Federal 12-21-24-12 well (see submittal requirements in R649-3-35-1).

**CONCLUSIONS**

Future requests for wildcat well determination should be submitted in accordance with R649-3-35-1. Based on the findings above the Division has determined the THURSTON FEDERAL 12-21-24-12 well was drilled into an unknown area for the Mesa Verde formation. The Division finds that this well qualifies for the severance tax exemption under Section 59-5-102(2)(d) for wildcat wells for the Mesa Verde formation. Any re-completion work done within the 12-month wildcat tax exemption period outside of the approved formation(s) will require re-evaluation. The new production may not qualify. This determination was made in accordance with Oil and Gas General Conservation Rule R649-3-35. If the operator disagrees with this determination, the decision may be appealed to the Board of Oil Gas and Mining.

Reviewer(s): Dustin K. Doucet *DKD*

Date: October 15, 2008

Joshua Payne

Date: October 9, 2008

CC: Utah State Tax Commission  
ATTN: Ken Petersen

## ATTACHMENT A

## 1 Mile Area of Review

| API        | WELL NAME                | Well Status | QTR  | Sect | Town | Range | Cum Oil | Cum Gas | Field Type | Dx From Well (ft) | Rotar Spud | Date TD Reached | Date First Produced | Producing Formation         |
|------------|--------------------------|-------------|------|------|------|-------|---------|---------|------------|-------------------|------------|-----------------|---------------------|-----------------------------|
| 4304735559 | THURSTON FED 12-21-24-12 | PGW         | SESW | 12   | 120S | 210E  | 196     | 19758   | D          | 0                 | 11/20/2004 | 11/25/2004      | 5/6/2005            | Mesa Verde - <b>WASATCH</b> |
| 4304731568 | FEDERAL 1-13             | LA          | C-NW | 13   | 120S | 210E  | 0       | 0       | D          | 2044              |            |                 |                     |                             |
| 4304716041 | GOVERNMENT 1-13          | PA          | SWNE | 13   | 120S | 210E  | 0       | 81921   | D          | 2884              |            | 8/2/1962        | 9/11/1962           | Wasatch                     |

## **Application for Wildcat Designation**

### **Thurston Federal 12-21-24-12**

12S-21E-SE-SW Section 12

API 4304735559

Completion Date: 4-1-2005

### Plat Map Showing Wells Within a One-Mile Radius (See Attachment)

### Statement Relative to Formations in the Subject Well and on Offsets:

The Thurston Federal 12-21-24-12 well was drilled as a Wasatch-Mesaverde prospect (completed as a Wasatch-Mesaverde well). These units (formations) are productive in the Greater Natural Buttes area---eastern Uinta Basin. In general, and with few exceptions, production from these units is from stratigraphic traps found in lenticular sandstones which have limited areal extent. As such, individual productive sand units cannot generally be traced from wellbore to wellbore (especially true when wells are located on 160 acre spacing). This is true even though units may be superficially similar and occur at the same position in the section.

The Thurston Federal 12-21-24-12 well was completed in the following intervals (Wasatch-Mesaverde):

|           |           |
|-----------|-----------|
| 5206-5214 | Wasatch   |
| 7120-7124 | Mesaverde |
| 7136-7142 | Mesaverde |
| 7145-7159 | Mesaverde |
| 7197-7199 | Mesaverde |
| 7204-7208 | Mesaverde |
| 7214-7216 | Mesaverde |
| 7595-7601 | Mesaverde |
| 7624-7635 | Mesaverde |
| 7642-7648 | Mesaverde |

### Completion Reports from [Completed] Wells in Area [n = 1] (See Attachment) Government 1-13

### Bottom Hole Pressure Data on Subject Well and Productive Wells in Area:

No specific bottom hole pressure data exists on the subject well (Thurston Federal 12-21-24-12) and/or other productive wells in the area. In other words, no pressure bomb data or pressure test data is available on these wells at total depth. Mud weight (hydrostatic pressure of the drilling fluid at total depth) can sometimes be used as a barometer of bottom hole pressure. The following values are estimates of bottom hole pressure based on mud weight at total depth less 0.2 lb/gallon (over-balance typical in this area at total depth/logging point):

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Thurston Federal 12-21-24-12    3695 psi @ 7808 (gradient = 0.473 psi/ft)  
Government 1-13                    2567 psi @ 5307 (gradient = 0.484 psi/ft)

Stratigraphic Cross Section Through the Subject Well and Adjacent Productive Well  
(See Attachment)

Statement Relative to Whether or Not Subject Well is in a Known Geologic Structure:

As stated previously, most of the production in this specific area and in surrounding areas (Greater Natural Buttes) is from lenticular sands developed in the Wasatch and Mesaverde formations. As such, the traps are stratigraphic in nature. Based on mapping at the top of both of these units, there is no apparent relationship between structure and productivity: regional dip predominates at the top of both units in the area of the Thurston Federal 12-21-24-12 well (based on mapping).

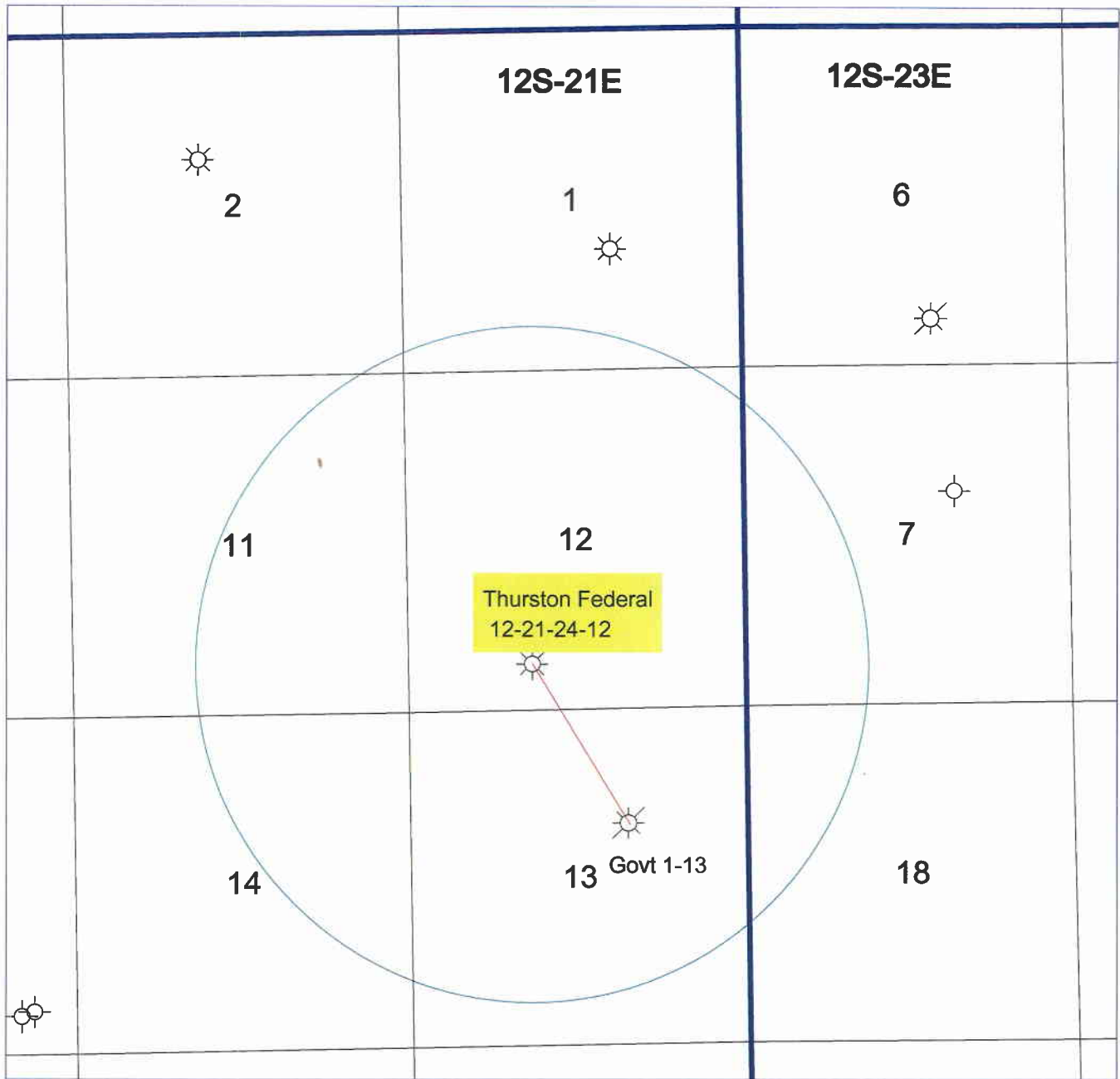
Other Relevant Information:

The Thurston Federal 12-21-24-12 well produces from Wasatch and Mesaverde sands which are limited in terms of areal extent. The immediate offset well (well shown in the cross section) is a Wasatch-Mesaverde completion as well.

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## Enduring Resources

Location Map Showing Thurston 12-21-24-12 Well With 1 Mile Radius, Offset Well, and Cross-Section Trace

Jack E. Watson

9-19-2008

Circle = 1 Mile Radius

Cross Section Trace

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011

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

## SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:

UTU 73017

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CO AGREEMENT NAME:

Thurston Fed Unit

8. WELL NAME and NUMBER:

Thurston Federal 12-1

9. API NUMBER:

4304735559

10. FIELD AND POOL, OR WILDCAT:

Wildcat

1. TYPE OF WELL

OIL WELL ☐GAS WELL ☒OTHER ☐

2. NAME OF OPERATOR:

The Houston Exploration Company

3. ADDRESS OF OPERATOR:

1100 Louisiana, Ste 2000

CITY

Houston

STATE

TX

ZIP

77002

PHONE NUMBER:

(713) 830-6938

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 692' FSL &amp; 1959' FWL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 12 12S 21E

STATE:

UTAH

## 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION   | TYPE OF ACTION  |   |  |
|--|---|---|--|
| <input type="checkbox"/> NOTICE OF INTENT<br>(Submit in Duplicate)<br>Approximate date work will start: _____          | <input type="checkbox"/> ACIDIZE                        | <input type="checkbox"/> DEEPEN                           | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
|  | <input type="checkbox"/> ALTER CASING                   | <input type="checkbox"/> FRACTURE TREAT                   | <input type="checkbox"/> SIDETRACK TO REPAIR WELL      |
|  | <input type="checkbox"/> CASING REPAIR                  | <input type="checkbox"/> NEW CONSTRUCTION                 | <input type="checkbox"/> TEMPORARILY ABANDON           |
|  | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS       | <input type="checkbox"/> OPERATOR CHANGE                  | <input type="checkbox"/> TUBING REPAIR                 |
|  | <input type="checkbox"/> CHANGE TUBING                  | <input type="checkbox"/> PLUG AND ABANDON                 | <input type="checkbox"/> VENT OR FLARE                 |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT<br>(Submit Original Form Only)<br>Date of work completion: _____ | <input type="checkbox"/> CHANGE WELL NAME               | <input type="checkbox"/> PLUG BACK                        | <input type="checkbox"/> WATER DISPOSAL                |
|  | <input type="checkbox"/> CHANGE WELL STATUS             | <input type="checkbox"/> PRODUCTION (START/RESUME)        | <input type="checkbox"/> WATER SHUT-OFF                |
|  | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE         | <input checked="" type="checkbox"/> OTHER: Swab        |
|  | <input type="checkbox"/> CONVERT WELL TYPE              | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION |  |

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

12/1/04-12/31/04 Log. Perf 7595'-7601', 7624'-7635', 7642'-7648' & frac w/ 120,000# 20/40 sd. Perf 7120'-7124', 7136'-7142', 7145'-7159', 7197'-7199', 7204'-7208', 7214'-7216' & frac w/ 150,200# 20/40 sd. Flwd on 10/64-18/64" ck, 520-600 MCF, 25-37 BW. Ran 2 3/8" tbg & set @ 7624'. Swab.

NAME (PLEASE PRINT) Theresa Overturf

TITLE Engineering Technician

SIGNATURE

DATE 1/5/05

(This space for State use only)

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STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

014

SUNDRY NOTICES AND REPORTS ON WELLS

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1. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER

2. NAME OF OPERATOR:

The Houston Exploration Company

3. ADDRESS OF OPERATOR:

1100 Louisiana, Ste 2000

CITY

Houston

STATE

TX

ZIP

77002

PHONE NUMBER:

(713) 830-6938

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 692' FSL & 1959' FWL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 12 12S 21E

STATE:

UTAH

5. LEASE DESIGNATION AND SERIAL NUMBER:

UTU 73017

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

Thurston Fed Unit

8. WELL NAME and NUMBER:

Thurston Federal 12-1

9. API NUMBER:

4304735559

10. FIELD AND POOL, OR WILDCAT:

Wildcat

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION  | TYPE OF ACTION  |   |  |
|---|---|---|--|
| <input type="checkbox"/> NOTICE OF INTENT<br>(Submit in Duplicate)<br>Approximate date work will start:<br>_____          | <input type="checkbox"/> ACIDIZE                        | <input type="checkbox"/> DEEPEN                           | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
|   | <input type="checkbox"/> ALTER CASING                   | <input type="checkbox"/> FRACTURE TREAT                   | <input type="checkbox"/> SIDETRACK TO REPAIR WELL      |
|   | <input type="checkbox"/> CASING REPAIR                  | <input type="checkbox"/> NEW CONSTRUCTION                 | <input type="checkbox"/> TEMPORARILY ABANDON           |
|   | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS       | <input type="checkbox"/> OPERATOR CHANGE                  | <input type="checkbox"/> TUBING REPAIR                 |
|   | <input type="checkbox"/> CHANGE TUBING                  | <input type="checkbox"/> PLUG AND ABANDON                 | <input type="checkbox"/> VENT OR FLARE                 |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT<br>(Submit Original Form Only)<br>Date of work completion:<br>_____ | <input type="checkbox"/> CHANGE WELL NAME               | <input type="checkbox"/> PLUG BACK                        | <input type="checkbox"/> WATER DISPOSAL                |
|   | <input type="checkbox"/> CHANGE WELL STATUS             | <input type="checkbox"/> PRODUCTION (START/RESUME)        | <input type="checkbox"/> WATER SHUT-OFF                |
|   | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE         | <input checked="" type="checkbox"/> OTHER: _____       |
|   | <input type="checkbox"/> CONVERT WELL TYPE              | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION |  |

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

3/1/05 - 3/31/05 Test perfs 7120'-59'. Flwd on 10/64-14/64" ck, 120 MCF. Well died. Set CIBP @ 7000'. Perf 5206'-14'.

This is TW

NAME (PLEASE PRINT) Theresa Overturf

TITLE Engineering Technician

SIGNATURE

Theresa Overturf

DATE

4/5/2005

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**PI/Dwights PLUS on CD Scout Ticket****1-13 GOVT**

State: UTAH  
 County: Uintah  
 Operator: DELHI TAYLOR OIL CRP  
 API: 43047160410000 IC:  
 Initial Class: WO  
 Target Objective:  
 Final Well Class: WOE  
 Status: GAS  
 Field: BUCK CANYON  
 Permit: on JUN 27, 1962  
 First Report Date: SEP 15, 1972  
 Projected TD: 6500 Formation: MESAVERDE  
 Hole Direction: VERTICAL  
 IP Summary: Oil Gas Water Top Form  
 2113 MCFD 24 BBL WASATCH

**Location**

Section, Twp., Range: 13 12 S 21 E  
 Spot Code: SW NE  
 Footage NS EW Origin: 1820 FNL 1853 FEL CONGRESS SECTION  
 Surface Remark:  
 Principal Meridian: SALT LAKE  
 Lat/Long: 39.7759506 / -109.5125127 IH  
 PBHL Footage NS EW Origin:  
 PBHL Section:  
 PBHL Remark:  
 ABHL Footage NS EW Origin:  
 ABHL Section:  
 ABHL Remark:

**Dates and Depths**

Spud: JUL 07, 1962 Spud Date Code:  
 TD: 5546 on  
 LTD: 5546  
 TVD:  
 PlugBack Depth: 5375  
 Completed: SEP 11, 1962  
 Formation @ TD: 652WSTC Name: WASATCH  
 Ref. Elevation: 6026 DF  
 KB. Elevation:  
 Ground Elevation: 6017 GR  
 Contractor: GULICK DRLG  
 Rig Release Date: Rig #

**IP # 001**

Top Formation: WASATCH  
 Base Formation: WASATCH  
 Oil:  
 Gas: 2113 MCFD  
 Interval: 5150 - 5159 GROSS  
 Duration of Test: Hours  
 Oil: Gravity:  
 Condst:  
 Water: 24 BBL  
 Method: FLOWING  
 Choke: 24/64  
 GOR:

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**PI/Dwights PLUS on CD Scout Ticket**

Prod Method: PERF  
 Pressures: FTP: 665 SITP:  
 FCP: SICP:  
 CAOF: 2395  
 Perforations: Interval Cnt Type Shots/Ft Top Formation  
 5150 - 5159 BULLT 1 FT 652WSTC WASATCH

Treatments: 1 Interval: 5150 - 5423  
 Fluid: 67500 GAL FRAC Type: W  
 Additive: FLA  
 Prop Agent: SAND 50000 LB  
 Formation Break Down Pressure:  
 Average Injection Rate: 16  
 Stages: Remarks: TREAT 6000-4700

PT # 001

Top Formation: WASATCH  
 Base Formation: WASATCH  
 Oil: Condst:  
 Gas: 2003 MCFD Water:  
 Interval: 5150 - 5523 GROSS Method: FLOWING  
 Duration of Test: Hours Choke: 48/64  
 Oil: Gravity: GOR:  
 Prod Method: PERF  
 Pressures: FTP: 150 SITP:  
 FCP: SICP:  
 Perforations: 652WSTC WASATCH  
 Perf Interval: 5150 - Shots/Ft: 1 FT  
 Type of Perfs: BULLT Interval Perf Count:  
 Perforations: 652WSTC WASATCH  
 Perf Interval: 5153 - Shots/Ft: 1 FT  
 Type of Perfs: BULLT Interval Perf Count:  
 Perforations: 652WSTC WASATCH  
 Perf Interval: 5156 - Shots/Ft: 1 FT  
 Type of Perfs: BULLT Interval Perf Count:  
 Perforations: 652WSTC WASATCH  
 Perf Interval: 5159 - Shots/Ft: 1 FT  
 Type of Perfs: BULLT Interval Perf Count:  
 Perforations: 652WSTC WASATCH  
 Perf Interval: 5414 - Shots/Ft: 1 FT  
 Type of Perfs: BULLT Interval Perf Count:  
 Perforations: 652WSTC WASATCH  
 Perf Interval: 5417 - Shots/Ft: 1 FT  
 Type of Perfs: BULLT Interval Perf Count:  
 Perforations: 652WSTC WASATCH  
 Perf Interval: 5420 - Shots/Ft: 1 FT  
 Type of Perfs: BULLT Interval Perf Count:  
 Perforations: 652WSTC WASATCH  
 Perf Interval: 5423 - Shots/Ft: 1 FT  
 Type of Perfs: BULLT Interval Perf Count:

Treatments: 100 Interval: 5150 - 5423

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**PI/Dwights PLUS on CD Scout Ticket**

Fluid: 65700 GAL FRAC Type: W  
 Additive: FLA  
 Prop Agent: SAND 50000 LB  
 Formation Break Down Pressure:  
 Average Injection Rate: 16  
 Stages: Remarks: TREAT 6000-4700

Treatments: 101 Interval: 5150 - 5423  
 Fluid: 65700 GAL FRAC Type: SWFR  
 Additive: FLA  
 Prop Agent: SAND 50000 LB  
 Formation Break Down Pressure:  
 Average Injection Rate: 16  
 Stages: Remarks: TREAT 6000-4700, SWFR:ORIG TREATMENT CD, J-98:ORIG ADD

PT # 002

Top Formation: WASATCH  
 Base Formation: WASATCH  
 Oil:  
 Gas: 1116 MCFD Condst:  
 Water:  
 Interval: 5150 - 5423 GROSS Method: FLOWING  
 Duration of Test: Hours Choke: 19/64  
 Oil: Gravity: GOR:  
 Prod Method: PERF  
 Pressures: FTP: 930 SITP:  
 FCP: SICP:  
 Perforations: 652WSTC WASATCH  
 Perf Interval: 5150 - Shots/Ft: 1 FT  
 Type of Perfs: BULLT Interval Perf Count:  
 Perforations: 652WSTC WASATCH  
 Perf Interval: 5153 - Shots/Ft: 1 FT  
 Type of Perfs: BULLT Interval Perf Count:  
 Perforations: 652WSTC WASATCH  
 Perf Interval: 5156 - Shots/Ft: 1 FT  
 Type of Perfs: BULLT Interval Perf Count:  
 Perforations: 652WSTC WASATCH  
 Perf Interval: 5159 - Shots/Ft: 1 FT  
 Type of Perfs: BULLT Interval Perf Count:  
 Perforations: 652WSTC WASATCH  
 Perf Interval: 5414 - Shots/Ft: 1 FT  
 Type of Perfs: BULLT Interval Perf Count:  
 Perforations: 652WSTC WASATCH  
 Perf Interval: 5417 - Shots/Ft: 1 FT  
 Type of Perfs: BULLT Interval Perf Count:  
 Perforations: 652WSTC WASATCH  
 Perf Interval: 5420 - Shots/Ft: 1 FT  
 Type of Perfs: BULLT Interval Perf Count:  
 Perforations: 652WSTC WASATCH  
 Perf Interval: 5423 - Shots/Ft: 1 FT  
 Type of Perfs: BULLT Interval Perf Count:

Treatments: 102 Interval: 5150 - 5423  
 Fluid: 65700 GAL FRAC Type: SWFR

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**PI/Dwights PLUS on CD Scout Ticket**

Additive: FLA  
 Prop Agent: SAND 50000 LB  
 Formation Break Down Pressure:  
 Average Injection Rate: 16  
 Stages: Remarks: TREAT 6000-4700, SWFR:ORIG TREATMENT CD, J-98:ORIG ADD

PT # 003

|                   |                   |                            |
|-------------------|-------------------|----------------------------|
| Top Formation:    | WASATCH           |                            |
| Base Formation:   | WASATCH           |                            |
| Oil:              |                   | Condst:                    |
| Gas:              | 1447 MCFD         | Water:                     |
| Interval:         | 5150 - 5423 GROSS | Method: FLOWING            |
| Duration of Test: | Hours             | Choke: 19/64               |
| Oil:              | Gravity:          | GOR:                       |
| Prod Method:      | PERF              |                            |
| Pressures:        | FTP: 950          | SITP:                      |
|                   | FCP:              | SICP:                      |
| Perforations:     | 652WSTC           | WASATCH                    |
| Perf Interval:    | 5150 -            | Shots/Ft: 1 FT             |
|                   | Type of Perfs:    | BULLT Interval Perf Count: |
| Perforations:     | 652WSTC           | WASATCH                    |
| Perf Interval:    | 5153 -            | Shots/Ft: 1 FT             |
|                   | Type of Perfs:    | BULLT Interval Perf Count: |
| Perforations:     | 652WSTC           | WASATCH                    |
| Perf Interval:    | 5156 -            | Shots/Ft: 1 FT             |
|                   | Type of Perfs:    | BULLT Interval Perf Count: |
| Perforations:     | 652WSTC           | WASATCH                    |
| Perf Interval:    | 5159 -            | Shots/Ft: 1 FT             |
|                   | Type of Perfs:    | BULLT Interval Perf Count: |
| Perforations:     | 652WSTC           | WASATCH                    |
| Perf Interval:    | 5414 -            | Shots/Ft: 1 FT             |
|                   | Type of Perfs:    | BULLT Interval Perf Count: |
| Perforations:     | 652WSTC           | WASATCH                    |
| Perf Interval:    | 5417 -            | Shots/Ft: 1 FT             |
|                   | Type of Perfs:    | BULLT Interval Perf Count: |
| Perforations:     | 652WSTC           | WASATCH                    |
| Perf Interval:    | 5420 -            | Shots/Ft: 1 FT             |
|                   | Type of Perfs:    | BULLT Interval Perf Count: |
| Perforations:     | 652WSTC           | WASATCH                    |
| Perf Interval:    | 5423 -            | Shots/Ft: 1 FT             |
|                   | Type of Perfs:    | BULLT Interval Perf Count: |

|             |     |                                |   |                 |
|-------------|-----|--------------------------------|---|-----------------|
| Treatments: | 103 | Interval:                      | 5150 - 5423   |                 |
|             |     | Fluid:                         | 65700 GAL   | FRAC Type: SWFR |
|             |     | Additive:                      | FLA   |                 |
|             |     | Prop Agent:                    | SAND  | 50000 LB        |
|             |     | Formation Break Down Pressure: |   |                 |
|             |     | Average Injection Rate:        | 16  |                 |
|             |     | Stages:                        | Remarks: TREAT 6000-4700, SWFR:ORIG TREATMENT CD, J-98:ORIG ADD |                 |

PT # 004

|                 |         |         |
|-----------------|---------|---------|
| Top Formation:  | WASATCH |         |
| Base Formation: | WASATCH |         |
| Oil:            |         | Condst: |

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**PI/Dwights PLUS on CD Scout Ticket**

|                   |                   |           |                      |
|-------------------|-------------------|-----------|----------------------|
| Gas:              | 594 MCFD          | Water:    |                      |
| Interval:         | 5150 - 5159 GROSS | Method:   | FLOWING              |
| Duration of Test: | Hours             | Choke:    | 14/64                |
| Oil:              | Gravity:          | GOR:      |                      |
| Prod Method:      | PERF              |           |                      |
| Pressures:        | FTP: 990          | SITP:     |                      |
|                   | FCP:              | SICP:     |                      |
| Perforations:     | 652WSTC           | WASATCH   |                      |
| Perf Interval:    | 5150 -            | Shots/Ft: | 1 FT                 |
|                   | Type of Perfs:    | BULLT     | Interval Perf Count: |
| Perforations:     | 652WSTC           | WASATCH   |                      |
| Perf Interval:    | 5153 -            | Shots/Ft: | 1 FT                 |
|                   | Type of Perfs:    | BULLT     | Interval Perf Count: |
| Perforations:     | 652WSTC           | WASATCH   |                      |
| Perf Interval:    | 5156 -            | Shots/Ft: | 1 FT                 |
|                   | Type of Perfs:    | BULLT     | Interval Perf Count: |
| Perforations:     | 652WSTC           | WASATCH   |                      |
| Perf Interval:    | 5159 -            | Shots/Ft: | 1 FT                 |
|                   | Type of Perfs:    | BULLT     | Interval Perf Count: |

Treatments: 104 Interval: 5150 - 5423  
 Fluid: 65700 GAL FRAC Type: SWFR  
 Additive: FLA  
 Prop Agent: SAND 50000 LB  
 Formation Break Down Pressure:  
 Average Injection Rate: 16  
 Stages: Remarks: TREAT 6000-4700, SWFR:ORIG TREATMENT CD, J-98:ORIG ADD

PT # 005

|                   |                   |           |                      |
|-------------------|-------------------|-----------|----------------------|
| Top Formation:    | WASATCH           | Condst:   |                      |
| Base Formation:   | WASATCH           | Water:    |                      |
| Oil:              |                   | Method:   | FLOWING              |
| Gas:              | 810 MCFD          | Choke:    | 16/64                |
| Interval:         | 5150 - 5159 GROSS | GOR:      |                      |
| Duration of Test: | Hours             |           |                      |
| Oil:              | Gravity:          |           |                      |
| Prod Method:      | PERF              |           |                      |
| Pressures:        | FTP: 1000         | SITP:     |                      |
|                   | FCP:              | SICP:     |                      |
| Perforations:     | 652WSTC           | WASATCH   |                      |
| Perf Interval:    | 5150 -            | Shots/Ft: | 1 FT                 |
|                   | Type of Perfs:    | BULLT     | Interval Perf Count: |
| Perforations:     | 652WSTC           | WASATCH   |                      |
| Perf Interval:    | 5153 -            | Shots/Ft: | 1 FT                 |
|                   | Type of Perfs:    | BULLT     | Interval Perf Count: |
| Perforations:     | 652WSTC           | WASATCH   |                      |
| Perf Interval:    | 5156 -            | Shots/Ft: | 1 FT                 |
|                   | Type of Perfs:    | BULLT     | Interval Perf Count: |
| Perforations:     | 652WSTC           | WASATCH   |                      |
| Perf Interval:    | 5159 -            | Shots/Ft: | 1 FT                 |
|                   | Type of Perfs:    | BULLT     | Interval Perf Count: |

Treatments: 105 Interval: 5150 - 5423

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**PI/Dwights PLUS on CD Scout Ticket**

Fluid: 65700 GAL FRAC Type: SWFR

Additive: FLA

Prop Agent: SAND 50000 LB

Formation Break Down Pressure:

Average Injection Rate: 16

Stages: Remarks: TREAT 6000-4700, SWFR:ORIG TREATMENT CD, J-98:ORIG ADD

PT # 006

Top Formation: WASATCH

Base Formation: WASATCH

Oil:

Gas: 864 MCFD

Interval: 5150 - 5159 GROSS

Duration of Test: Hours

Oil:

Gravity:

Prod Method: PERF

Pressures: FTP: 960

FCP:

Perforations: 652WSTC

Perf Interval: 5150 -

Type of Perfs:

Perforations: 652WSTC

Perf Interval: 5153 -

Type of Perfs:

Perforations: 652WSTC

Perf Interval: 5156 -

Type of Perfs:

Perforations: 652WSTC

Perf Interval: 5159 -

Type of Perfs:

Condst:

Water:

Method: FLOWING

Choke: 19/64

GOR:

SITP:

SICP:

WASATCH

Shots/Ft: 1 FT

Interval Perf Count:

WASATCH

Shots/Ft: 1 FT

Interval Perf Count:

WASATCH

Shots/Ft: 1 FT

Interval Perf Count:

WASATCH

Shots/Ft: 1 FT

Interval Perf Count:

**Casing, Liner, Tubing**

Casing 9 5/8 IN @ 237 w/ 110 sx

Casing 2 7/8 IN @ 5544 w/ 200 sx

**Formations and Logs**

Top Formation

Measured  
DepthTop  
TVDBase  
DepthBase  
TVDSource  
LOGLith-  
ologyAge  
code

WASATCH

3150

LOG

652

**Dwights Energydata Narrative**

Accumulated through 1997

IP: 2395 MCF/ID SF 2395 MCFGPD

Perfs: 5414 - 5159 w/1 SPF - frac w/50000 lb 20 - 40 sd &amp; 1565 bbls 1% acid W

Perfs: w/20 lb J-98/1000 gal

Dwights number: R8454520

**Operator Address**

Street or PO Box:

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## **PI/Dwights PLUS on CD Scout Ticket**

### **Operator Address**

City:

State, Zip: ,

Country:

Phone:

Fax:

E-Mail:

Agent Name:

Agent Code:

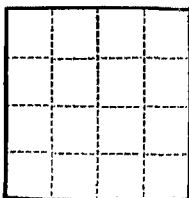
Agent Remark:

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*Copy H.L.C.*

(SUBMIT IN TRIPLICATE)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

Budget Bureau No. 42-R358.4  
Approval expires 12-31-60.

Land Office Utah  
Lease No. 02893  
Unit \_\_\_\_\_

SUNDRY NOTICES AND REPORTS ON WELLS

|   |   |    |
|---|---|----|
| NOTICE OF INTENTION TO DRILL.....                   | SUBSEQUENT REPORT OF WATER SHUT-OFF.....        | XX |
| NOTICE OF INTENTION TO CHANGE PLANS.....            | SUBSEQUENT REPORT OF SHOOTING OR ACIDIZING..... |    |
| NOTICE OF INTENTION TO TEST WATER SHUT-OFF.....     | SUBSEQUENT REPORT OF ALTERING CASING.....       |    |
| NOTICE OF INTENTION TO RE-DRILL OR REPAIR WELL..... | SUBSEQUENT REPORT OF RE-DRILLING OR REPAIR..... |    |
| NOTICE OF INTENTION TO SHOOT OR ACIDIZE.....        | SUBSEQUENT REPORT OF ABANDONMENT.....           |    |
| NOTICE OF INTENTION TO PULL OR ALTER CASING.....    | SUPPLEMENTARY WELL HISTORY.....                 |    |
| NOTICE OF INTENTION TO ABANDON WELL.....            | <b>Supplementary report of frac</b>             | XX |

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

August 24, 19 62

Government  
Well No. 1-13 is located 1830 ft. from [N] line and 1853 ft. from [E] line of sec. 13  
SW NE Section 13 T-12-S R-21-E SLM  
(Sec. and Sec. No.) (Twp.) (Range) (Meridian)  
Buck Canyon Uintah Utah  
(Field) (County or Subdivision) (State or Territory)

The elevation of the derrick floor above sea level is \_\_\_\_\_ ft.

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important proposed work)

Drilled to T.D. 5546, ran logs. Ran 177 jts. 2-7/8" EUE 6.3# J-55 casing landed at 5544. Cemented w/200 sacks class A cement. Complete returns through-out. Tested casing to 5700 psi - held okay. Perf. w/1 shot at 5414, 5417, 5420, 5423, 5150, 5153, 5156, 5159 w/scallop gun in 2 runs. Frac. w/50,000# 20-40 sand and 1565 bbls. 1% acid water w/20# - J-98/1000 gal. Avg. injection rate 15.5 BPM, max. pressure 6000 psi, min. press. 4700 psi. Overflushed with 10 bbls. IGIP 2200 psi, 5 min. SIP 2100 psi, 10 min. SIP 2100 psi, 15 min. SIP 2070 psi, 20 min. SIP 2050 psi. Now flowing well to clean up and test.

I understand that this plan of work must receive approval in writing by the Geological Survey before operations may be commenced.

Company Delhi-Taylor Oil Corporation  
Address P. O. Drawer 1196  
Farmington, New Mexico  
By E. W. Guynn  
Title District Engineer

Original signed  
by E. W. Guynn

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SEP 29 2003

DIV. OF OIL, GAS & MINING

| Size | Shell used | Explosive used | Quantity | Date | Depth shot | Depth cleaned out |
|------|------------|----------------|----------|------|------------|-------------------|
|      | See Below  |                |          |      |            |                   |
|      |            |                |          |      |            |                   |
|      |            |                |          |      |            |                   |
|      |            |                |          |      |            |                   |

Rotary tools were used from 0 feet to 5546 TD feet, and from \_\_\_\_\_ feet to \_\_\_\_\_ feet

Cable tools were used from \_\_\_\_\_ feet to \_\_\_\_\_ feet, and from \_\_\_\_\_ feet to \_\_\_\_\_ feet

|   |   |
|---|---|
| -----, 19-----  | Put to producing <u>September 11</u> , 19 <u>22</u> |
| The production for the first 24 hours was ----- barrels of fluid of which ----- % was oil; ----- % emulsion; ----- % water; and ----- % sediment. | Gravity, °Bé. -----                                 |
| If gas well, <del>cu. ft.</del> <sup>MCF</sup> per 24 hours <u>2395/D</u>   | Gallons gasoline per 1,000 cu. ft. of gas -----     |
| Rock pressure, lbs. per sq. in. -----   |   |

|              |         |              |         |
|--------------|---------|--------------|---------|
| A. O. Blair  | Driller | W. Arbeland  | Driller |
| V. L. Schott | Driller | E. L. Carson | Pusher  |

| FROM—  | TO—     | TOTAL FEET | FORMATION    |
|--|---------|------------|--------------|
| Surface  | 230'    | 230'       | Sand - shale |
| 230'   | 3150'   | 2920'      | Green River  |
| 3150'  | 5546'TD | 2396'      | Wasatch      |
| ERF. - 1 shot each at 5414, 5417, 5420, 5423, 5150, 5153, 5156, 5159, frac<br>w/50,000# 20-40 sand and 1565 bbls. 1% acid water w/20# J-98/1000 gals.<br>Avg. injection rate 15.5 BPM; max. press. 6000 psi, min. press. 4700 psi. |         |            |              |
| FROM—  | TO—     | TOTAL FEET | FORMATION    |

PERF. - 1 shot each at 5414, 5417, 5420, 5423, 5150, 5153, 5156, 5159, frac  
w/50,000# 20-40 sand and 1565 bbls. 1% acid water w/20# J-98/1000 gals.  
Avg. injection rate 15.5 BPM; max. press. 6000 psi, min. press. 4700 psi.

# GOVERNMENT

16-43094-4

**FORMATION RECORD—Continued**

Tw 3150  
kmv 5401

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**PI/Dwights PLUS on CD Scout Ticket****12-1 THURSTON FEDERAL**

State: UTAH  
 County: Uintah  
 Operator: HOUSTON EXP CO THE  
 API: 43047355590000 IC:  
 Initial Class: WO  
 Target Objective: GAS  
 Final Well Class: WOE  
 Status: GAS  
 Field: BUCK CANYON  
 Permit: on APR 12, 2004  
 First Report Date: APR 16, 2004  
 Projected TD: 7833 Formation: BUCK CANYON / PETERS POINT  
 Hole Direction: VERTICAL  
 IP Summary: Oil Gas Water Top Form  
 600 MCFD 5 BBL MESAVERDE

**Location**

Section, Twp., Range: 12 12 S 21 E  
 Spot Code: NW SE SW  
 Footage NS EW Origin: 692 FSL 1959 FWL CONGRESS SECTION  
 Surface Remark:  
 Principal Meridian: SALT LAKE  
 Lat/Long: 39.7828256 / -109.5177034 IH  
 PBHL Footage NS EW Origin:  
 PBHL Section:  
 PBHL Remark:  
 ABHL Footage NS EW Origin:  
 ABHL Section:  
 ABHL Remark:  
 Location Narrative: Type Remark  
 SCALED\_FOOT REGULATORY  
 IRREG\_SECT N  
 DST\_PRODUCER 0.6 MI NW BUCK CANYON FLD(WASATCH)  
 DST\_TOWN 37.7 MI SE RANDLETT, UT

**Dates and Depths**

Spud: NOV 20, 2004 Spud Date Code: A  
 TD: 7803 on NOV 25, 2004  
 LTD:  
 TVD:  
 PlugBack Depth: 7000  
 Completed: APR 03, 2005  
 Formation @ TD: 604CSLG Name: CASTLEGATE  
 Ref. Elevation:  
 KB. Elevation:  
 Ground Elevation: 6052.2 GR  
 Contractor: TRUE DRILLING COMPANY  
 Rig Release Date: NOV 27, 2004Rig # 27

IP # 003

Top Formation: MESAVERDE  
 Base Formation: MESAVERDE

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**PI/Dwights PLUS on CD Scout Ticket**

|                   |              |                 |           |
|-------------------|--------------|-----------------|-----------|
| Oil:              |              | Condst: 1       | BPD       |
| Gas:              | 600 MCFD     | Water: 5        | BBL       |
| Interval:         | 5206 - 5214  | Method: FLOWING |           |
| Duration of Test: | Hours        | Choke:          |           |
| Oil:              | Gravity: 55  | GOR: 600000     |           |
| Prod Method:      | PERF         |                 |           |
| Pressures:        | FTP: 375     | SITP:           |           |
|                   | FCP:         | SICP: 650       |           |
| Perforations:     | Interval Cnt | Type            | Shots/Ft  |
| 5206 -            | 5214 24      |                 |           |
|                   |              | Top Formation   |           |
|                   |              | 604MVRD         | MESAVERDE |

PT # 001

|                   |                |                      |    |
|-------------------|----------------|----------------------|----|
| Top Formation:    | MESAVERDE      |                      |    |
| Base Formation:   | SEGO           |                      |    |
| Oil:              |                | Condst:              |    |
| Gas:              | UG             | Water:               | UW |
| Interval:         | 7120 - 7648    | GROSS                |    |
| Duration of Test: | Hours          | Method: SWABBING     |    |
| Oil:              | Gravity:       | Choke:               |    |
| Prod Method:      | PERF           | GOR:                 |    |
| Perforations:     | 604MVRD        | MESAVERDE            |    |
| Perf Interval:    | 7120 - 7124    | Shots/Ft:            |    |
|                   | Type of Perfs: | Interval Perf Count: | 12 |
| Perforations:     | 604MVRD        | MESAVERDE            |    |
| Perf Interval:    | 7136 - 7142    | Shots/Ft:            |    |
|                   | Type of Perfs: | Interval Perf Count: | 18 |
| Perforations:     | 604MVRD        | MESAVERDE            |    |
| Perf Interval:    | 7145 - 7159    | Shots/Ft:            |    |
|                   | Type of Perfs: | Interval Perf Count: | 42 |
| Perforations:     | 604MVRD        | MESAVERDE            |    |
| Perf Interval:    | 7197 - 7199    | Shots/Ft:            |    |
|                   | Type of Perfs: | Interval Perf Count: | 6  |
| Perforations:     | 604MVRD        | MESAVERDE            |    |
| Perf Interval:    | 7204 - 7208    | Shots/Ft:            |    |
|                   | Type of Perfs: | Interval Perf Count: | 12 |
| Perforations:     | 604MVRD        | MESAVERDE            |    |
| Perf Interval:    | 7214 - 7216    | Shots/Ft:            |    |
|                   | Type of Perfs: | Interval Perf Count: | 6  |
| Perforations:     | 604MVRD        | MESAVERDE            |    |
| Perf Interval:    | 7595 - 7601    | Shots/Ft:            |    |
|                   | Type of Perfs: | Interval Perf Count: | 18 |
| Perforations:     | 604MVRD        | MESAVERDE            |    |
| Perf Interval:    | 7624 - 7635    | Shots/Ft:            |    |
|                   | Type of Perfs: | Interval Perf Count: | 33 |
| Perforations:     | 604MVRD        | MESAVERDE            |    |
| Perf Interval:    | 7642 - 7648    | Shots/Ft:            |    |
|                   | Type of Perfs: | Interval Perf Count: | 18 |

|             |   |             |             |            |
|-------------|---|-------------|-------------|------------|
| Treatments: | 1 | Interval:   | 7120 - 7216 |            |
|             |   | Fluid:      |             | FRAC Type: |
|             |   | Additive:   |             |            |
|             |   | Prop Agent: | SAND        | 150200 LB  |

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**PI/Dwights PLUS on CD Scout Ticket**

Formation Break Down Pressure:

Average Injection Rate:

Stages: Remarks:

Treatments: 2 Interval: 7595 - 7648

Fluid:

FRAC Type:

Additive:

Prop Agent: SAND

120000 LB

Formation Break Down Pressure:

Average Injection Rate:

Stages: Remarks:

Remarks on PT Test # 001 SWB &amp; FLOW AVG 260 MCF

PT # 002

Top Formation: MESAVERDE

Base Formation: MESAVERDE

Oil:

Condst:

Gas:

UG

Water:

Interval: 7120 - 7159 GROSS

Method: FLOWING

Duration of Test: Hours

Choke:

Oil:

Gravity:

GOR:

Prod Method: PERF

Perforations: 604MVRD MESAVERDE

Perf Interval: 7120 - 7159 Shots/Ft:

Remarks on PT Test # 002 TSTD 120 MCF 3/1/05-3/31/05 THEN DIED

**Casing, Liner, Tubing**

Casing 14 IN @ 52 w/ sx

Casing 8 5/8 IN @ 2034 w/ 500 sx

Casing 4 1/2 IN @ 7765 w/ 1073 sx

Tubing 2 3/8 IN @ 7474 TUBING

**Drilling Journal**

Narrative: NOV 16, 2004

PREP TO MIRT

Narrative: NOV 22, 2004

DRILLING @ 5288

Narrative: NOV 29, 2004

RIGGING DOWN ROTARY TOOLS / LAYING DOWN

DRILL PIPE

Narrative: DEC 07, 2004

COMPLETING

Narrative: DEC 27, 2004

WO COMPL DETAILS

Narrative: FEB 17, 2005

WO COMPL DETAILS

Lease Acres: 2080

**Formations and Logs**

Log # 1 AISF @ -

Logging Co. 153789

Log # 2 LDT @ -

Logging Co. 153789

Log # 3 CNL @ -

Logging Co. 153789

Log # 4 CALP @ -

Logging Co. 153789

Log # 5 SP @ -

Logging Co. 153789

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DIV. OF OIL, GAS &amp; MINING

**PI/Dwights PLUS on CD Scout Ticket****Formations and Logs**

| Top Formation  | Log # 6 GR @<br>Logging Co. 153789 | Measured<br>Depth | Top<br>TVD | Base<br>Depth | Base<br>TVD | Source | Lith-<br>ology | Age<br>code |
|----------------|------------------------------------|-------------------|------------|---------------|-------------|--------|----------------|-------------|
| UTELAND BUTTES |                                    | 3153              |            |               |             | LOG    |                | 652         |
| WASATCH        |                                    | 3271              |            |               |             | LOG    |                | 652         |
| MESAVERDE      |                                    | 5275              |            |               |             | LOG    |                | 604         |
| SEGO           |                                    | 7646              |            |               |             | LOG    |                | 604         |
| BUCK TONGUE    |                                    | 7758              |            |               |             | LOG    |                | 604         |
| CASTLEGATE     |                                    | 7775              |            |               |             | LOG    |                | 604         |

**Operator Address**

Street or PO Box: 1100 LOUISIANA STREET  
STE 2000

City: HOUSTON  
State, Zip: TX , 770025219  
Country: USA  
Phone: 7138306938  
E-Mail:

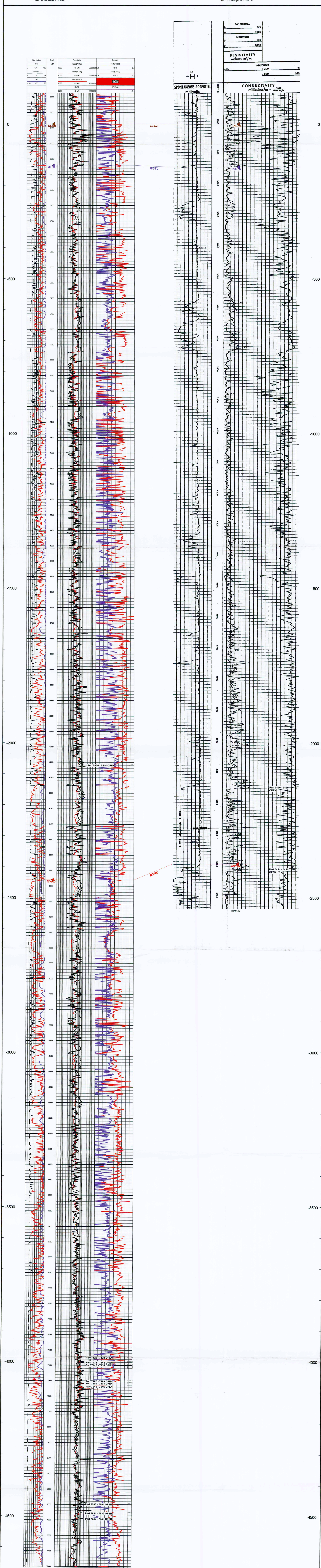
Fax:

Agent Name: Agent Code:  
Agent Remark: SMITH LISA L;;;;;303;857;9999

**RECEIVED****SEP 29 2008****DIV. OF OIL, GAS & MINING**



43047160410000  
→  
DELHI TAYLOR OIL CRP  
GOVT 1-13  
County=UINTAH  
StateProv=UT  
1820 FNL 1853 FEL





|  |  |   |
|--|--|---|
| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING  |  | <b>FORM 9</b>   |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br><br>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.   |  | <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b><br>UTU-73017 |
| <b>1. TYPE OF WELL</b><br>Gas Well   |  | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>                |
| <b>2. NAME OF OPERATOR:</b><br>Enduring Resources, LLC   |  | <b>7. UNIT or CA AGREEMENT NAME:</b>                        |
| <b>3. ADDRESS OF OPERATOR:</b><br>475 17th Street, Suite 1500 , Denver, CO, 80202  |  | <b>8. WELL NAME and NUMBER:</b><br>THURSTON FED 12-21-24-12 |
| <b>4. LOCATION OF WELL</b><br><b>FOOTAGES AT SURFACE:</b><br>0692 FSL 1959 FWL<br><b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b><br>Qtr/Qtr: SESW Section: 12 Township: 12.0S Range: 21.0E Meridian: S  |  | <b>9. API NUMBER:</b><br>43047355590000                     |
| <b>PHONE NUMBER:</b><br>303 350-5114 Ext   |  | <b>9. FIELD and POOL or WILDCAT:</b><br>BUCK CANYON         |
| <b>COUNTY:</b><br>UINTAH   |  | <b>STATE:</b><br>UTAH                                       |
| <b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>   |  |   |
| <b>TYPE OF SUBMISSION</b>  | <b>TYPE OF ACTION</b>  |   |
| <input type="checkbox"/> <b>NOTICE OF INTENT</b><br>Approximate date work will start:  | <input type="checkbox"/> <b>ACIDIZE</b>                        |   |
| <input checked="" type="checkbox"/> <b>SUBSEQUENT REPORT</b><br>Date of Work Completion:<br>11/17/2009   | <input type="checkbox"/> <b>ALTER CASING</b>                   |   |
| <input type="checkbox"/> <b>SPUD REPORT</b><br>Date of Spud:   | <input type="checkbox"/> <b>CASING REPAIR</b>                  |   |
| <input type="checkbox"/> <b>DRILLING REPORT</b><br>Report Date:  | <input type="checkbox"/> <b>CHANGE TO PREVIOUS PLANS</b>       |   |
|  | <input type="checkbox"/> <b>CHANGE TUBING</b>                  |   |
|  | <input type="checkbox"/> <b>CHANGE WELL STATUS</b>             |   |
|  | <input type="checkbox"/> <b>COMMINGLE PRODUCING FORMATIONS</b> |   |
|  | <input type="checkbox"/> <b>DEEPEN</b>                         |   |
|  | <input type="checkbox"/> <b>FRACTURE TREAT</b>                 |   |
|  | <input type="checkbox"/> <b>OPERATOR CHANGE</b>                |   |
|  | <input type="checkbox"/> <b>PLUG AND ABANDON</b>               |   |
|  | <input type="checkbox"/> <b>PRODUCTION START OR RESUME</b>     |   |
|  | <input type="checkbox"/> <b>RECLAMATION OF WELL SITE</b>       |   |
|  | <input type="checkbox"/> <b>REPERFORATE CURRENT FORMATION</b>  |   |
|  | <input type="checkbox"/> <b>SIDETRACK TO REPAIR WELL</b>       |   |
|  | <input type="checkbox"/> <b>TUBING REPAIR</b>                  |   |
|  | <input type="checkbox"/> <b>VENT OR FLARE</b>                  |   |
|  | <input type="checkbox"/> <b>WATER SHUTOFF</b>                  |   |
|  | <input type="checkbox"/> <b>SI TA STATUS EXTENSION</b>         |   |
|  | <input type="checkbox"/> <b>WILDCAT WELL DETERMINATION</b>     |   |
|  | <input checked="" type="checkbox"/> <b>OTHER</b>               |   |
|  | OTHER: Interim Reclamation                                     |   |
| <b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b>  |  |   |
| The pit backfill was reseeded 11/17/2009. The location was disked to prepare the seed bed, the seed broadcast over the seed bed and harrowed to bury the seed. The location was seeded with the following seed mix. Double the BLM recommended PLS per acre were used because the seed could not be drilled due to rocky location and was broadcast instead. 12#-Needle and Thread Grass, 16#-Squirreltail, 12#-Galleta Grass, 12#-Indian Rice Grass 8#-Crested Wheat Grass The Packing Slip and bag tags for the seed will be kept in the Vernal Office's Well File and available on request. |  |   |
| <b>Accepted by the Utah Division of Oil, Gas and Mining</b><br><b>FOR RECORD ONLY</b><br>December 03, 2009   |  |   |
| <b>NAME (PLEASE PRINT)</b><br>Alvin Arlian   | <b>PHONE NUMBER</b><br>303 350-5114                            | <b>TITLE</b><br>Landman-Regulatory                          |
| <b>SIGNATURE</b><br>N/A  |  | <b>DATE</b><br>12/3/2009                                    |



|   |   |   |   |  |   |
|---|---|---|---|--|---|
| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING   |   | <b>FORM 9</b>   |   |  |   |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br><br>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.  |   | <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b><br>UTU-73017   |   |  |   |
| <b>1. TYPE OF WELL</b><br>Gas Well  |   | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  |   |  |   |
| <b>2. NAME OF OPERATOR:</b><br>Enduring Resources, LLC  |   | <b>7. UNIT or CA AGREEMENT NAME:</b>  |   |  |   |
| <b>3. ADDRESS OF OPERATOR:</b><br>511-16th Street, Suite 700 , Denver, CO, 80202  |   | <b>8. WELL NAME and NUMBER:</b><br>THURSTON FED 12-21-24-12   |   |  |   |
| <b>4. LOCATION OF WELL</b><br><b>FOOTAGES AT SURFACE:</b><br>0692 FSL 1959 FWL<br><b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b><br>Qtr/Qtr: SESW Section: 12 Township: 12.0S Range: 21.0E Meridian: S   |   | <b>9. API NUMBER:</b><br>43047355590000   |   |  |   |
| <b>9. FIELD and POOL or WILDCAT:</b><br>BUCK CANYON   |   | <b>COUNTY:</b><br>UINTAH  |   |  |   |
| <b>STATE:</b><br>UTAH   |   |   |   |  |   |
| <b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>  |   |   |   |  |   |
| <b>TYPE OF SUBMISSION</b>   | <b>TYPE OF ACTION</b>   |   |   |  |   |
| <input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b><br>Approximate date work will start:<br>7/5/2016<br><br><input type="checkbox"/> <b>SUBSEQUENT REPORT</b><br>Date of Work Completion:<br><br><input type="checkbox"/> <b>SPUD REPORT</b><br>Date of Spud:<br><br><input type="checkbox"/> <b>DRILLING REPORT</b><br>Report Date:  | <table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ACIDIZE<br/> <input type="checkbox"/> CHANGE TO PREVIOUS PLANS<br/> <input type="checkbox"/> CHANGE WELL STATUS<br/> <input type="checkbox"/> DEEPEN<br/> <input type="checkbox"/> OPERATOR CHANGE<br/> <input type="checkbox"/> PRODUCTION START OR RESUME<br/> <input type="checkbox"/> REPERFORATE CURRENT FORMATION<br/> <input type="checkbox"/> TUBING REPAIR<br/> <input type="checkbox"/> WATER SHUTOFF<br/> <input type="checkbox"/> WILDCAT WELL DETERMINATION         </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ALTER CASING<br/> <input type="checkbox"/> CHANGE TUBING<br/> <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS<br/> <input type="checkbox"/> FRACTURE TREAT<br/> <input checked="" type="checkbox"/> PLUG AND ABANDON<br/> <input type="checkbox"/> RECLAMATION OF WELL SITE<br/> <input type="checkbox"/> SIDETRACK TO REPAIR WELL<br/> <input type="checkbox"/> VENT OR FLARE<br/> <input type="checkbox"/> SI TA STATUS EXTENSION<br/> <input type="checkbox"/> OTHER         </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> CASING REPAIR<br/> <input type="checkbox"/> CHANGE WELL NAME<br/> <input type="checkbox"/> CONVERT WELL TYPE<br/> <input type="checkbox"/> NEW CONSTRUCTION<br/> <input type="checkbox"/> PLUG BACK<br/> <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION<br/> <input type="checkbox"/> TEMPORARY ABANDON<br/> <input type="checkbox"/> WATER DISPOSAL<br/> <input type="checkbox"/> APD EXTENSION<br/>           OTHER: <input style="width: 100px;" type="text"/> </td> </tr> </table> |   | <input type="checkbox"/> ACIDIZE<br><input type="checkbox"/> CHANGE TO PREVIOUS PLANS<br><input type="checkbox"/> CHANGE WELL STATUS<br><input type="checkbox"/> DEEPEN<br><input type="checkbox"/> OPERATOR CHANGE<br><input type="checkbox"/> PRODUCTION START OR RESUME<br><input type="checkbox"/> REPERFORATE CURRENT FORMATION<br><input type="checkbox"/> TUBING REPAIR<br><input type="checkbox"/> WATER SHUTOFF<br><input type="checkbox"/> WILDCAT WELL DETERMINATION | <input type="checkbox"/> ALTER CASING<br><input type="checkbox"/> CHANGE TUBING<br><input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS<br><input type="checkbox"/> FRACTURE TREAT<br><input checked="" type="checkbox"/> PLUG AND ABANDON<br><input type="checkbox"/> RECLAMATION OF WELL SITE<br><input type="checkbox"/> SIDETRACK TO REPAIR WELL<br><input type="checkbox"/> VENT OR FLARE<br><input type="checkbox"/> SI TA STATUS EXTENSION<br><input type="checkbox"/> OTHER | <input type="checkbox"/> CASING REPAIR<br><input type="checkbox"/> CHANGE WELL NAME<br><input type="checkbox"/> CONVERT WELL TYPE<br><input type="checkbox"/> NEW CONSTRUCTION<br><input type="checkbox"/> PLUG BACK<br><input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION<br><input type="checkbox"/> TEMPORARY ABANDON<br><input type="checkbox"/> WATER DISPOSAL<br><input type="checkbox"/> APD EXTENSION<br>OTHER: <input style="width: 100px;" type="text"/> |
| <input type="checkbox"/> ACIDIZE<br><input type="checkbox"/> CHANGE TO PREVIOUS PLANS<br><input type="checkbox"/> CHANGE WELL STATUS<br><input type="checkbox"/> DEEPEN<br><input type="checkbox"/> OPERATOR CHANGE<br><input type="checkbox"/> PRODUCTION START OR RESUME<br><input type="checkbox"/> REPERFORATE CURRENT FORMATION<br><input type="checkbox"/> TUBING REPAIR<br><input type="checkbox"/> WATER SHUTOFF<br><input type="checkbox"/> WILDCAT WELL DETERMINATION | <input type="checkbox"/> ALTER CASING<br><input type="checkbox"/> CHANGE TUBING<br><input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS<br><input type="checkbox"/> FRACTURE TREAT<br><input checked="" type="checkbox"/> PLUG AND ABANDON<br><input type="checkbox"/> RECLAMATION OF WELL SITE<br><input type="checkbox"/> SIDETRACK TO REPAIR WELL<br><input type="checkbox"/> VENT OR FLARE<br><input type="checkbox"/> SI TA STATUS EXTENSION<br><input type="checkbox"/> OTHER  | <input type="checkbox"/> CASING REPAIR<br><input type="checkbox"/> CHANGE WELL NAME<br><input type="checkbox"/> CONVERT WELL TYPE<br><input type="checkbox"/> NEW CONSTRUCTION<br><input type="checkbox"/> PLUG BACK<br><input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION<br><input type="checkbox"/> TEMPORARY ABANDON<br><input type="checkbox"/> WATER DISPOSAL<br><input type="checkbox"/> APD EXTENSION<br>OTHER: <input style="width: 100px;" type="text"/> |   |  |   |
| <b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b><br><br>P&A procedure attached.  |   |   |   |  |   |
| <b>Accepted by the</b><br><b>Utah Division of</b><br><b>Oil, Gas and Mining</b><br><br><b>Date:</b> June 13, 2016<br><b>By:</b>   |   |   |   |  |   |
| <b>NAME (PLEASE PRINT)</b><br>Travis Whitham  | <b>PHONE NUMBER</b><br>303 350-5716   | <b>TITLE</b><br>Landman   |   |  |   |
| <b>SIGNATURE</b><br>N/A   | <b>DATE</b><br>6/8/2016   |   |   |  |   |



## Recommended Procedure

## Plug and Abandonment

|                      |  |                           |                          |
|----------------------|--|---------------------------|--------------------------|
| <b>Operator:</b>     | Enduring Resources, LLC  |                           |                          |
| <b>Well name:</b>    | Thurston Federal #12-21-24-12 (FKA #12-1)  |                           |                          |
| <b>Legal:</b>        | SESW, Section 12, Township 12 South, Range 21 East                                     |                           |                          |
| <b>Location:</b>     | Uintah County, Utah  |                           |                          |
| <b>GPS:</b>          | 39.78261, -109.51834   |                           |                          |
| <b>API:</b>          | 43-047-35559   |                           |                          |
| <b>Surface:</b>      | 8-5/8" 24# at 2,034'   | <b>Hole size:</b> 12-1/4" | <b>TOC:</b> Surface      |
| <b>Production:</b>   | 4-1/2" 11.6# at 7,765'   | <b>Hole size:</b> 7-7/8"  | <b>TOC:</b> 1,770' (CBL) |
| <b>Tubing:</b>       | 2-3/8" 4.7# at 5,172'  |                           |                          |
| <b>Perforations:</b> | 5,206' – 5,214' (Mesa); 7,120' – 7,216'; 7,595' – 7,648' (Mesaverde, Isolated by PBTD) |                           |                          |
| <b>PBTD:</b>         | 7,000' (Existing CIBP)   |                           |                          |
| <b>TD:</b>           | 7,803  |                           |                          |

**\*Procedure based off of completion reports and well history, this is NOT a final procedure\***

1. Conduct pre-job safety meeting and complete daily JSA
2. Prior to MIRU, check rig anchors and blow down well/kill if necessary
3. Dig out around wellhead and check surface annulus for pressure  
(If present call Tommy Joyce #817-933-9759 and Craig Owen #970-646-3933 for orders)
4. MIRU P&A equipment, NDWH, NUBOP, Load and circulate wellbore clean
5. TOH and tally 5,156' of tubing to derrick, LD remaining tubing and BHA
6. PU 4-1/2" 11.6# casing scraper/bumper sub, TIH to 5,156', TOH, LD BHA
7. PU 4-1/2" 11.6#, 10K, CIBP, TIH and set at 5,156' (50' above topmost Mesaverde perfs)
8. Pump 10 sxs of 15.8# class G neat 1.15 cu.ft./sack yield cement on top of CIBP  
(10 sxs is 131' in 4-1/2", TOC: 5,025')
9. TOH and LD to 4,900', Reverse circulate tubing clean, Pressure test casing to 500 psi for 5 minutes  
(If test fails call Tommy Joyce and Craig Owen for orders)

Note: If casing pressure test fails (step 9) additional steps/services required by the Utah DOGM/BLM are not included in this bid and will be billed per our 2016 Time and Material Price Schedule.

10. Circulate 76 bbl. of water treated with corrosion inhibitor
11. TOH and LD to 3,346' (75' below top of Wasatch)
12. Pump 10 sxs of 15.8# class G neat 1.15 cu.ft./sack yield cement to cover top of Wasatch  
(10 sxs is 131' in 4-1/2", TOC: 3,215')
13. TOH and LD to 3,100', Reverse circulate tubing clean
14. TOH and LD to 2,134' (100' below surface casing shoe), Establish circulation to surface
15. Pump 15 sxs of 15.8# class G neat 1.15 cu.ft./sack yield cement to cover surface casing shoe  
(15 sxs is 197' in 4-1/2", TOC: 1,937')
16. TOH to 1,800', Reverse circulate tubing clean, WOC 4 hours, TIH and tag TOC at 1,984' or higher
17. TOH and LD to 100', Establish circulation to surface
18. Circulate 8 sxs of 15.8# class G neat 1.15 cu.ft./sack yield cement to surface
19. TOH and LD tubing, Dig out and cut off wellhead 6' below restored ground level
20. TIH 100' in 4-1/2" x 8-5/8" with 1" tubing, Establish circulation to surface
21. Circulate 21 sxs of 15.8# class G neat 1.15 cu.ft./sack yield cement to surface
22. TOH and LD tubing, RDMO, Top off if necessary
23. Weld on info plate, backfill, clean location, P&A complete

|  |  |   |
|--|--|---|
| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING  |  | <b>FORM 9</b>   |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br><br>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. |  | <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b><br>UTU-73017 |
| <b>1. TYPE OF WELL</b><br>Gas Well   |  | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>                |
| <b>2. NAME OF OPERATOR:</b><br>Enduring Resources, LLC   |  | <b>7. UNIT or CA AGREEMENT NAME:</b>                        |
| <b>3. ADDRESS OF OPERATOR:</b><br>511-16th Street, Suite 700 , Denver, CO, 80202   |  | <b>8. WELL NAME and NUMBER:</b><br>THURSTON FED 12-21-24-12 |
| <b>4. LOCATION OF WELL</b><br><b>FOOTAGES AT SURFACE:</b><br>0692 FSL 1959 FWL<br><b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b><br>Qtr/Qtr: SESW Section: 12 Township: 12.0S Range: 21.0E Meridian: S  |  | <b>9. API NUMBER:</b><br>43047355590000                     |
| <b>9. FIELD and POOL or WILDCAT:</b><br>BUCK CANYON  |  | <b>COUNTY:</b><br>UINTAH                                    |
| <b>STATE:</b><br>UTAH  |  |   |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA  |  |   |
| <b>TYPE OF SUBMISSION</b>  | <b>TYPE OF ACTION</b>  |   |
| <input type="checkbox"/> NOTICE OF INTENT<br>Approximate date work will start:   | <input type="checkbox"/> ACIDIZE   |   |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT<br>Date of Work Completion:<br>7/19/2016   | <input type="checkbox"/> ALTER CASING                                      |   |
| <input type="checkbox"/> SPUD REPORT<br>Date of Spud:  | <input type="checkbox"/> CASING REPAIR                                     |   |
| <input type="checkbox"/> DRILLING REPORT<br>Report Date:   | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS                          |   |
|  | <input type="checkbox"/> CHANGE WELL STATUS                                |   |
|  | <input type="checkbox"/> CHANGE TUBING                                     |   |
|  | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS                    |   |
|  | <input type="checkbox"/> DEEPEN  |   |
|  | <input type="checkbox"/> FRACTURE TREAT                                    |   |
|  | <input checked="" type="checkbox"/> PLUG AND ABANDON                       |   |
|  | <input type="checkbox"/> NEW CONSTRUCTION                                  |   |
|  | <input type="checkbox"/> OPERATOR CHANGE                                   |   |
|  | <input type="checkbox"/> PLUG BACK   |   |
|  | <input type="checkbox"/> PRODUCTION START OR RESUME                        |   |
|  | <input type="checkbox"/> RECLAMATION OF WELL SITE                          |   |
|  | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION                    |   |
|  | <input type="checkbox"/> REPERFORATE CURRENT FORMATION                     |   |
|  | <input type="checkbox"/> SIDETRACK TO REPAIR WELL                          |   |
|  | <input type="checkbox"/> TEMPORARY ABANDON                                 |   |
|  | <input type="checkbox"/> TUBING REPAIR                                     |   |
|  | <input type="checkbox"/> VENT OR FLARE                                     |   |
|  | <input type="checkbox"/> WATER DISPOSAL                                    |   |
|  | <input type="checkbox"/> WATER SHUTOFF                                     |   |
|  | <input type="checkbox"/> SI TA STATUS EXTENSION                            |   |
|  | <input type="checkbox"/> WILDCAT WELL DETERMINATION                        |   |
|  | <input type="checkbox"/> OTHER: <input style="width: 100px;" type="text"/> |   |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.<br>Plugging report attached. Well waiting on reclamation and re-seeding this fall.  |  |   |
| Accepted by the<br>Utah Division of<br>Oil, Gas and Mining<br><b>FOR RECORD ONLY</b><br>August 04, 2016  |  |   |
| <b>NAME (PLEASE PRINT)</b><br>Travis Whitham   | <b>PHONE NUMBER</b><br>303 350-5716  | <b>TITLE</b><br>Landman                                     |
| <b>SIGNATURE</b><br>N/A  | <b>DATE</b><br>8/1/2016  |   |

Enduring Resources

Chronological Plugging Report

Thurston Fed 12-21-24-12

7/18/16

Notified Jake Birchell with BLM 7-15-16 with Intent to plug well

Held Safety meeting Pinch points and RU. Moved in rig & equip and RU. Bled well down. Pumped 20 bbls Down TBG pressured to 600 psi ND well head NU BOPES. RU Floor tongs etc. RU WL Perfed TBG @ 5137' RD WL. TOO H with 159 Jts 2 3/8 PSN 1 JT, 2 3/8 w/NC.RIH With bit & scraper To 5156,POOH LD bit & scraper. RIH with CIBP & set @ 5,152, Filled Hole with 30 bbls H2O,circulated Gas off well, pressure test csg To 500 psi for 5min good witnessed by BLM. SWIFN

7/19/16

Held Safety Meeting LD Pipe

SITP 0, SICP. 0, SISC. 0

CIBP @ 5,152 EOT @ 5,151'

RU Pro Petro. Displaced hole with corrosion inhibitor. Spot 10 Sxs, 2 Bbls on From 5,151 to 5,020'. LD to 3,361, spot balance plug to 3,164 with 15 sxs, 3 bbls cement to cover Wasatch formation, LD to 2,135' spot balanced plug to 1,937 with 15 sxs, 3 bbls To cover surface casing shoe. LD all pipe RD floor tongs etc ND BOPES, RIH to 128' with 4 Jts cemented with 30 Sxs to surface. LD TBG. RD rig. Dug out around well head, cut off TBG & CSG head, filled 8 5/8 x 4 1/2 with 20 sxs, 4 bbls, hole standing full. Weld on P & A, Marker. All plugs we're witnessed by, Mitch Wilhelm BLM Inspector. All cement was mixed 15.8 ppg, 1.15 Yield, 5 gal water per sx. And All displacements we're flushed with corrosion inhibitor.